

**UNITED STATES OF AMERICA  
NATIONAL LABOR RELATIONS BOARD  
REGION 5**

In the Matter of:	)	
	)	
ISLAMIC SAUDI ACADEMY	)	
	)	
Employer,	)	
	)	
and	)	Case No. 05-RC-080474
	)	
ISLAMIC SAUDI ACADEMY	)	
EMPLOYEE PROFESSIONAL	)	
ASSOCIATION	)	
	)	
Petitioner.	)	

**PETITIONER'S OPPOSITION TO EMPLOYER'S REQUEST FOR REVIEW**

Submitted by:

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## **I. INTRODUCTION**

On June 28, 2012, Employer Islamic Saudi Academy (“Employer” or “ISA”) filed a Request for Review with the National Labor Relations Board. Within its request for review, Employer presented two (2) separate questions. The first question is whether the Regional Director erred when he held that the NLRB may assert jurisdiction over non-teaching employees at Employer's school. The second question is whether the Regional Director erred when he held that the Foreign Sovereign Immunities Act (“FSIA”) does not bar NLRB jurisdiction over Employer.

On June 27, 2012, Petitioner filed Petitioner's Request for Review of Regional Director Decision and Order Dated June 14, 2012. Within Petitioner's Request for Review, Petitioner is challenging whether the Regional Director erred when he held that Employer is a substantially religious school under the meaning of NLRB v. Catholic Bishop of Chicago, 440 US 490 (1979) and its progeny. Since Petitioner maintains that Employer is not a religious school for the reasons set forth fully in Petitioner's Request for Review, Employer's first question in its Petition for Review will not be addressed in this Opposition. Petitioner's Opposition to Employer's Request for Review therefore focuses on Employer's second stated question: whether the Regional Director erred when he held that FSIA does not bar jurisdiction over Employer. Petitioner agrees with the Regional Director that FSIA does not bar jurisdiction over Employer for two reasons: (1) Employer is engaged in commercial activities; and (2) Employer waived any possible sovereign immunity through choice of laws clauses with its employees and with suppliers of goods and services.

## **II. STATEMENT OF FACTS**

### **1. Islamic Saudi Engages in Commerce**

ISA pays Fairfax County \$2,600,000 per year for the lease of the school building, and has been paying Fairfax County for 20 years. Exhibit C at 774:24-775:17. ISA leases a parking lot facility from a private party, which is located next to the school, for \$3,000 or \$3,500 per month. Exhibit A at 52:3-5;

54:8-18. ISA pays CleanNet of Baltimore/Washington, Inc., a cleaning service, \$16,662/month to clean the school. *See* Employer Exhibit 47 and Exhibit A at 83:10-84:5. ISA pays a security firm called First Alarm for about \$17,000 per month. Exhibit A at 84:7-14. ISA pays First Alarm Security Co. rates between \$16.48/hour and \$29.35 per hour for each security guard on campus. *See* *Employer Exhibit 48*. ISA has a contract with Le Real Estate, Inc., PPB Maryland, for \$35,000/year for the lease of a parking lot next to the school. *See* Employer Exhibit 49. Three years ago, ISA made a major purchase of more than \$10,000 of Student Information System (SIS), which maintains student records and other information. Exhibit A at 86:10-87:2. ISA pays for many different types of insurance, including health insurance (Care First, Blue Cross Blue Shield, MetLife), commercial and transportation insurance, liability insurance (Travelers), workers compensation insurance. Exhibit C at 779:22-780:10. Travelers insurance is \$186,000/year, including liability insurance for the building, fire prevention, employees' insurance and workers' compensation. Exhibit C at 780:11-17. ISA pays the Travelers insurance bill by sending a check out of state, somewhere in the United States. Exhibit C at 780:18-781:5. ISA has a pest control contract with a Virginia company and they pay \$155/month.. Exhibit C at 791:4-14. ISA has a trash disposal contract with a Virginia company for \$400,000 per year. Id. at 791:23-792:2. ISA has a security contract with a Virginia alarm company for \$400,000/year. Id. at 792:3-6. ISA has a custodial cleaning contract with CleanNet, a Maryland company, for \$20,000/month. Id. at 792:7-11. ISA has a bus repair garage contract with a Virginia company for \$80,000/year. Id. at 792:12-24. ISA has a uniform contract for mechanic uniforms for \$75/week. Id. at 792:25-793:5. ISA has a maintenance copy contract with a Virginia company for \$5,000/month. Id. at 793:6-23. ISA has a stamp machine contract with a Virginia company for \$15,000/year. Id. at 793:24-794:2. ISA pays its employees from an HSBC bank out of Washington, DC. Id. at 794:12-16. ISA employees are paid in American dollars. Exhibit C at 804:5-7.

Eighty percent of ISA funding comes from the Ministry of Foreign Affairs for Saudi Arabia and

twenty percent comes from tuition, transportation fees and lunch fees from students at ISA. Exhibit C at 775:18-776:4. About 12 million dollars comes from the Ministry of Foreign Affairs and about 3 million dollars comes from students. Exhibit C at 776:5-11. Transportation brings in about \$500,000 per year, lunch about \$70,000 per year and more than \$2 million comes from tuition. Id. at 776:12-16. ISA runs its own transportation department and its own cafeteria. Exhibit C at 776:17-777:4. The majority of the 300 students who pay tuition are United States citizens. Exhibit C at 777:6-23. All of the money that ISA receives from all sources is mixed together to pay for everything. Exhibit C at 777:24-778:6.

ISA is working toward having all of their teachers obtain a certification or teaching license from Virginia. Exhibit A at 69:1-20. Drivers in the transportation department at the school must be certified in the State of Virginia and the buses are inspected yearly by the State of Virginia. Exhibit A at 75:23-76:21.

Acting Director Schultz testified that he believed that the school is a non-for-profit institution, however, he admitted that there are no forms that the school fills out for non-profit status and in fact, the school did not qualify for non-profit status when it applied. Exhibit A at 111:24-113:21.

## **2. Choice of Laws Clauses and Incorporation**

ISA uses the same employment contract for all employee positions at the school. Exhibit A at 158:12-20. The employment contract used for all positions contains the clause “[t]his agreement will be construed and interpreted in accordance with the laws of the Commonwealth of Virginia.” *See* Employer Exhibit 33, page 4. This clause was included in ISA's prior employment contracts as well. Exhibit A at 216:14-19. ISA's contract with First Alarm Security Co. is signed by Acting Director General Schultz and also includes a choice of laws provision, choosing the laws of Virginia. *See* Employer Exhibit 48, page 21, para. 4. ISA's contract for the parking lot is signed by Samy Musa (business manager for ISA) and also has a choice of laws provision, choosing Virginia state and federal

courts. See Employer Exhibit 49 at page 3, para. 9.

In 2008, ISA created an incorporated entity in Virginia called Islamic Saudi Academy of Washington (“ISAW”). Exhibit C at 781:7-15. Although all of the assets of ISA were never transferred to ISAW, ISA created the corporation, the bylaws, received the license from Virginia, applied for incorporation and received a certificate of incorporation from Virginia. Exhibit C at 781:12-21 and Petitioner's Exhibit 1. The Certificate of Incorporation states that “Islamic Saudi Academy of Washington was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business.” Id. Dr. Musa (finance manager) was asked by the Director General to follow the process for incorporation, so he prepared the application for incorporation in Virginia. Exhibit C at 781:22-783:7. The application for incorporation was notarized at the bank, the application was sent to Virginia and they received the Certificate of Incorporation. Exhibit C at 783:6-12. Along with the Certificate of Incorporation, he also received a certification from the IRS and some type of tax forms from Maryland and DC and Virginia, since there are employees who live in both of those states. Exhibit C at 783:13-21. ISAW had to establish an account with Maryland, DC and VA for tax purposes, in order to pay taxes for employees who live in those states. Exhibit C at 807:1-12. ISAW also applied for a federal tax ID number to use for payroll for ISAW. Id. at 807:8-808:3. In 2009, ISA drafted the employment contracts with its employees to include language referring to the transfer of ISA to the incorporated entity ISAW. Exhibit C at 783:22-784:6. ISAW had a board of directors. Exhibit C at 799:9-13. ISA opened a bank account at HSBC in the name of ISAW and money was placed in that account and was used to purchase Time Check, a payroll program. Exhibit C at 799:21-801:25. ISAW had a contract with Time Check and gave the company all of the information about ISA's employees, salaries, time in, sick leave, holidays and vacations and they transferred all of the documents and data to that company in 2009. Exhibit C at 802:2-10. The ISAW bank account was used to pay Time Check. Id. at 802:12-22.

For two months, the ISAW bank account was used to pay Time Check for payroll of ISA, in September and October of 2009. Id. at 802:23-803:12. Time Check was paid about \$900.00/month through ISAW accounts. Id. at 803:19-24.

The lease agreement for the main school location between ISA and Fairfax County identifies the tenant as “The Royal Embassy of Saudi Arabia d/b/a/ The Islamic Saudi Academy. *See Exhibit 42*, cover page and page 1. The lease agreement contains a provision stating “[t]his Lease shall be governed by the laws (including without limitation these relating to nondiscrimination) of the United States, the Commonwealth of Virginia, Fairfax County, and applicable Board regulations, and Tenant agrees to abide by these provisions.” Id. at pg. 9, Section 12. Under the Section entitled “COMPLIANCE WITH LAWS”, the lease mandates that “It is understood and agreed by and between the parties that Tenant, at its expense, will comply with, observe, and perform the requirements of applicable statutes, ordinances, policies, rules, orders, procedures, and regulations now in effect or hereinafter promulgated by the United States, Commonwealth of Virginia, Board of Supervisors or Fairfax County, Fairfax County Fire and Rescue Service with respect to the lease of and use of the Premises.” Id. at page 10, Section 17. The lease agreement states under the section entitled “APPLICABLE LAW” that “County and Tenant agree to be bound by the applicable laws of the United States and the Commonwealth of Virginia in any proceeding, whether in law or in equity, with respect to any dispute arising under this Lease.” Id. at page 11, Section 25. The lease contains a provision entitled “NO USE AS A DIPLOMATIC MISSION” which states that “Tenant agrees that the only diplomatic use of the Premises shall be as a school of general education.” Id. at page 12, Section 29.

### **III. ARGUMENT**

#### **1. ISA is Not Immune from Jurisdiction in the United States**

##### ***a. ISA Meets the Jurisdictional Standard***

The Board has jurisdiction over Islamic Saudi Academy because ISA has stipulated that it

derived gross revenues of more than one million (\$1,000,000) dollars in the past twelve (12) months and has received more than fifty-thousand (\$50,000) dollars from points outside the Commonwealth of Virginia. Exhibit A at 9:8-25. The jurisdictional standard for private schools is one million dollars (\$1,000,000). Roman Catholic Archdiocese of Baltimore, 216 NLRB 249 (1975); Shattuck School, 189 NLRB 886 (1971).

ISA derives substantial revenues from multiple sources. Eighty percent of ISA funding comes from the Ministry of Foreign Affairs for Saudi Arabia and twenty percent comes from tuition, transportation fees and lunch fees from students at ISA. Exhibit C at 775:18-776:4. About 12 million dollars comes from the Ministry of Foreign Affairs and about 3 million dollars comes from students. Exhibit C at 776:5-11. Transportation brings in about \$500,000 per year, lunch about \$70,000 per year and more than \$2 million comes from tuition. Id. at 776:12-16. ISA runs its own transportation department and its own cafeteria. Exhibit C at 776:17-777:4. The majority of the 300 students who pay tuition are United States citizens. Exhibit C at 777:6-23. All of the money that ISA receives from all sources is mixed together to pay for everything. Exhibit C at 777:24-778:6.

***b. The NLRB Asserts Jurisdiction Over Foreign “Instrumentalities” Doing Business in the United States***

Employer Islamic Saudi Academy argues that since it refers to ISA as an “instrumentality of Saudi Arabia”, that the Board should decline to assert jurisdiction over the school. However, the Board has considered and rejected this argument numerous times.

In State Bank of India, 229 NLRB 838 (1977), the Board concluded that it had jurisdiction over a foreign business in the US, and that there is no valid reason for declining jurisdiction over foreign businesses. The Board stated that “the fact that the employer was organized under the laws of a foreign nation is immaterial to the Board's statutory authority to assert jurisdiction when, as here, such corporation is authorized to and does in engage in business operations within the sovereign jurisdiction



of the United States and the Board.” *Id.* at 840 “[W]e now conclude that there is no public policy or policy of the Act which, on the ground that the employer is disclosed to be an 'agency' or 'instrumentality' of a foreign state, justifies us to continue to decline jurisdiction in **cases affecting employees in our own country whose employer engages in commercial activity** which meets the Board's jurisdictional standards for such enterprises.” *Id.* at 842. The Board went on to state that “it will better effectuate the policies of the Act for the Board to assert, rather than in our discretion decline, jurisdiction in any case involving employees employed within the territorial jurisdiction of the United States by any 'agency' or 'instrumentality' of a foreign state, engaged in commercial activity which meets the Board's jurisdictional standards for such enterprises.” *Id.* As is established above, ISA does meet the Board's jurisdictional standards of \$1 million. ISA receives substantial revenues from inside the Commonwealth of Virginia and from outside of the Commonwealth of Virginia.

ISA conducts a substantial amount of business within the Commonwealth of Virginia and with businesses and individuals outside of the Commonwealth of Virginia. ISA pays Fairfax County \$2,600,000 per year for the lease of the school building, and has been paying Fairfax County for 20 years. Exhibit C at 774:24-775:17. ISA leases a parking lot facility from a private party, which is located next to the school, for \$3,000 or \$3,500 per month. Exhibit A at 52:3-5; 54:8-18. ISA pays CleanNet of Baltimore/Washington, Inc., a cleaning service, \$16,662/month to clean the school. *See Employer Exhibit 47* and Exhibit A at 83:10-84:5. ISA pays a security firm called First Alarm for about \$17,000 per month. Exhibit A at 84:7-14. ISA pays First Alarm Security Co. rates between \$16.48/hour and \$29.35 per hour for each security guard on campus. *See Employer Exhibit 48*. ISA has a contract with Le Real Estate, Inc., PPB Maryland, for \$35,000/year for the lease of a parking lot next to the school. *See Employer Exhibit 49*. Three years ago, ISA made a major purchase of more than \$10,000 of Student Information System (SIS), which maintains student records and other information. Exhibit A at 86:10-87:2. ISA pays for many different types of insurance, including health insurance

(Care First, Blue Cross Blue Shield, MetLife), commercial and transportation insurance, liability insurance (Travelers), workers compensation insurance. Exhibit C at 779:22-780:10. Travelers insurance is \$186,000/year, including liability insurance for the building, fire prevention, employees' insurance and workers' compensation. Exhibit C at 780:11-17. ISA pays the Travelers insurance bill by sending a check out of state, somewhere in the United States. Exhibit C at 780:18-781:5. ISA has a pest control contract with a Virginia company and they pay \$155/month. Exhibit C at 791:4-14. ISA has a trash disposal contract with a Virginia company for \$400,000 per year. Id. at 791:23-792:2. ISA has a security contract with a Virginia alarm company for \$400,000/year. Id. at 792:3-6. ISA has a custodial cleaning contract with CleanNet, a Maryland company, for \$20,000/month. Id. at 792:7-11. ISA has a bus repair garage contract with a Virginia company for \$80,000/year. Id. at 792:12-24. ISA has a uniform contract for mechanic uniforms for \$75/week. Id. at 792:25-793:5. ISA has a maintenance copy contract with a Virginia company for \$5,000/month. Id. at 793:6-23. ISA has a stamp machine contract with a Virginia company for \$15,000/year. Id. at 793:24-794:2. ISA pays its employees from an HSBC bank out of Washington, DC. Id. at 794:12-16. ISA employees are paid in American dollars. Exhibit C at 804:5-7. Acting Director Schultz testified that he believed that the school is a non-for-profit institution, however, he admitted that there are no forms that the school fills out for non-profit status and in fact, the school did not qualify for non-profit status when it applied. Exhibit A at 111:24-113:21. Finally, ISA's commerce questionnaire indicates that both sales and purchases outside the state exceeded \$50,000. *See* Employer Exhibit 51. Islamic Saudi Academy is carrying on substantial commercial activities in the United States by running a private school that serves more than 600 students.

The policy of asserting jurisdiction over entities claimed to be foreign, acting within the United States, has also been specifically applied to schools. In German School of Washington, 260 NLRB 1250 (1982), the employer was a private school, grades Kindergarten through 13. Two-thirds of the

students were German nationals whose parents were employed by the Embassy of the Federal Republic of Germany and other German or international agencies. Id. at 1250. The foreign mission of the Federal Republic of Germany approved school decisions and teachers paid taxes to Germany, not to the US. Id. The Board concluded that it had jurisdiction over this school, and considered the holding in State Bank of India. Specifically, the German School of Washington decision held (as is the case for ISA) that the employer is not included in any of the statutory exclusions of Section 2(2) of the Act. Id. at 1252-53. The Board in the German School case, citing State Bank of India, also held that “there is no public policy or policy of the Act which, on the ground that the employer is disclosed to be an ‘agency’ or ‘instrumentality’ of a foreign state, justifies us to continue to decline jurisdiction in cases affecting employees in our own country whose employer engages in commercial activity which meets the Board’s standards for such enterprises.” Id. at 1255. Like ISA, German School is an unincorporated association which is seated in the United States. Id. at 1250. Also like German School, ISA is open to the general public, accepts tuition and provides education services like other private schools. Id. ISA employer complies with other regulations and laws of Virginia and of the United States and with local zoning and OSHA laws through their lease of the building with Fairfax County, which requires ISA to use Virginia and United States law in relation to the lease of the property. Employer Exhibit 42. It is undisputed that under National Labor Relations Board jurisprudence, a private school receiving more than \$1 million dollars in annual gross revenue meets the jurisdictional standard over nonprofit educational institutions, despite the fact that the employer denies engaging in purely commercial activities. Cornell University, 183 NLRB 329 (1970); Shattuck School, 189 NLRB 886 (1971).

The Board in State Bank of India took the FSIA into account when it held that it had jurisdiction over foreign entities doing business in the United States:

Our conclusion that there is no valid justification for declining jurisdiction is reinforced by Congress’ recent enactment of the Foreign Sovereign Immunities Act of 1976. That act manifests a congressional

intent to deny 'sovereign immunity' to a 'foreign state's private or commercial acts' occurring within the United States. That Act, which became effective January 19, 1977, defines a 'foreign state' to include 'an agency or **instrumentality of a foreign state**, defines such terms, and provides that there is no immunity from the jurisdiction of the courts of the United States or of the States in any case in which the action is based upon a 'commercial activity carried on in the United States by a foreign state.'

State Bank of India at 842. I now turn to the FSIA.

*c. FSIA Does Not Apply*

**1. ISA Carries on a “Commercial Activity” Under the Meaning of the Foreign Sovereign Immunities Act**

Employer Islamic Saudi Academy argues that the Foreign Sovereign Immunities Act (“FSIA”) bars jurisdiction of the National Labor Relations Board over the Islamic Saudi Academy. However, the FSIA does not apply to bar jurisdiction over the Islamic Saudi Academy, since ISA is carrying on a “commercial activity” within the meaning of the National Labor Relations Act and within the meaning of the FSIA.

Under Section 1605(a)(2) of the Foreign Sovereign Immunities Act, foreign states are not immune from the jurisdiction of United States law where “the action is based upon a commercial activity carried on in the United States by the foreign state.” 28 U.S.C. §1605(a)(2). “Commercial activity” is defined as “either a regular course of commercial conduct or a particular commercial transaction or act. The commercial character of an activity shall be determined by reference to the nature of the course of conduct or particular transaction or act, rather than by reference to its purpose.” 28 U.S.C. §1603(d). The Board and the US Courts have consistently held that running a private school is commercial activity for purposes of the Act and for United States law. State Bank of India at 842; German School of Washington, 260 NLRB 1250 (1982). Islamic Saudi Academy operates a private school in Virginia which receives substantial tuition from many students. It hires teachers from Virginia and surrounding states and pays them a salary from a bank in Washington, DC. The school

leases property from Fairfax County and enters into contracts with United States citizens and businesses. ISA derives substantial revenue from US citizens and from other sources and has millions of dollars worth of contracts with businesses, counties and individuals within and outside of the Commonwealth of Virginia.

The question of whether FSIA applies to the Islamic Saudi Academy was recently considered by the United States District Court, District of Columbia, which held that FSIA does not apply to the school for several reasons. In Ghawanmeh v. Islamic Saudi Academy, 672 F. Supp.2d 3 (2009), the DC Federal District Court found that the Islamic Saudi Academy engages in commercial activity for purposes of FSIA, and “[b]ecause the administration of a school is an activity that is routinely performed by private parties, it is precisely the type of action by which a private party may choose to engage in ‘trade and traffic or commerce.’” If the act of running a school was exclusively reserved for the sovereign, it would not be commercial in nature as defined in the FSIA. Republic of Argentina v. Weltover, Inc., 504 US 607, 616 (1992). Therefore, the US District Court for the District of Columbia found that ISA engages in commerce for purposes of FSIA. Furthermore, it is of no consequence that the school provides free tuition to Saudi nationals since, *inter alia*, it does not offer this free education for anyone but Saudi nationals, and charges full tuition for many American citizens. This also does not transform the fact that running a school in the United States is, and always has been, a commercial activity. Saudi Arabia is not permitted to establish a school in the United States which is free from United States labor law.

## **2. ISA Has Waived Any Possible Sovereign Immunity through Choice of Laws Clauses**

ISA also waived any sovereign immunity by including a Virginia choice of laws clause in all of their employment contracts and within its lease contract with Fairfax County. The House of Representatives Report which accompanied the FSIA stated that “[w]ith respect to implicit waivers, the

courts have found such waivers in cases where a foreign state has agreed to arbitration in another country or where a foreign state has agreed that the law of a particular country should govern a contract.” H.R. REP. No. 94-1487 (1976), *reprinted in* 1976 U.S.C.C.A.N. 6604, 6617. All employment contracts used by ISA include the choice of laws clause which states “This Agreement will be construed and interpreted in accordance with the laws of the Commonwealth of Virginia.” Employer Exhibit 33, page 4. There are also several choice of laws provisions in the lease agreement with Fairfax county for the school building. Employer Exhibit 42. The lease agreement contains a provision stating “[t]his Lease shall be governed by the laws (including without limitation these relating to nondiscrimination) of the United States, the Commonwealth of Virginia, Fairfax County, and applicable Board regulations, and Tenant agrees to abide by these provisions.” Id. at pg. 9, Section 12. Under the Section entitled “COMPLIANCE WITH LAWS”, the lease mandates that “It is understood and agreed by and between the parties that Tenant, at its expense, will comply with, observe, and perform the requirements of applicable statutes, ordinances, policies, rules, orders, procedures, and regulations now in effect or hereinafter promulgated by the United States, Commonwealth of Virginia, Board of Supervisors or Fairfax County, Fairfax County Fire and Rescue Service with respect to the lease of and use of the Premises.” Id. at page 10, Section 17. The lease agreement states under the section entitled “APPLICABLE LAW” that “County and Tenant agree to be bound by the applicable laws of the United States and the Commonwealth of Virginia in any proceeding, whether in law or in equity, with respect to any dispute arising under this Lease.” Id. at page 11, Section 25.

ISA incorporated the school as ISAW in 2009. The Certificate of Incorporation stated “said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business.”<sup>1</sup> Petitioner Exhibit 1. The Ghawanmeh Court held that ISA waived

<sup>1</sup> I note here that testimony established that all of ISA's assets were not transferred to ISAW, and ISAW is not active today. However, for the purposes of FSIA waiver, ISA did submit to the laws of Virginia, and therefore of the United States, when it incorporated the school, put ISA funds into ISAW's bank account and used that bank account to purchase payroll services while transferring ISA's payroll information to the payroll service.

sovereign immunity by including a choice of law clause in their employment contracts, thereby waiving any potential sovereign immunity and subjecting itself to jurisdiction in Virginia. *See Joseph v. Office of the Consulate Gen. of Nigeria*, 830 F.2d 1018, 1022 (9th Cir.1987) ("[I]t is clear that a sovereign party has waived immunity where a contract specifically states that the laws of a jurisdiction within the United States are to govern the transaction.") (emphasis in original); *Frolova v. Union of Soviet Socialist Republics*, 761 F.2d 370, 377 (7th Cir.1985) (Implied waivers of sovereign immunity under FSIA found where "a foreign state has agreed that a contract is governed by the law of a particular country."); *Marlowe v. Argentine Naval Comm'n*, 604 F.Supp. 703, 709 (D.D.C.1985) ("[I]f the parties to a contract agree that the laws of one country will govern contractual interpretations, they have implicitly waived the defense of sovereign immunity."). *See also Capital Ventures Int'l v. Republic of Argentina*, 552 F.3d 289, 293-94 (2nd Cir.2009) (holding that Argentine bonds, issued under German law, contained an explicit waiver of sovereign immunity under the FSIA by virtue of language included in the bonds' offering circular that waived Argentina's immunity to suit in "any court") (emphasis in original); *Walker Int'l Holdings Ltd. v. Republic of Congo*, 395 F.3d 229, 234 (5th Cir.2004) (holding that the Republic of Congo explicitly waived its sovereign immunity to suit in the United States under the FSIA by virtue of its signing a contract specifically waiving its immunity and agreeing to abide by the rules of the International Chamber of Commerce, which precludes the assertion of a sovereign immunity defense). ISA has waived any immunity to United States law under FSIA, including that laws of the National Labor Relations Board.

**ISA continues to use the same employment contracts, which include the Virginia choice of laws clause that the Ghawanmeh Court found controlling for waiver of FSIA.** The Federal District Court found that federal law, including FMLA and Title VII of the Civil Rights Act, applies to ISA and that the Federal Sovereign Immunities Act did not bar jurisdiction of the federal courts. *Id.*

Furthermore, ISA did incorporate a school in Virginia in 2009 ("Islamic Saudi Academy of

Washington”), transferred money to the corporate account and spent money from this same account. Therefore, ISA again explicitly submitted to the laws of Virginia through this incorporation. Petitioner Exhibit 1.

#### IV. CONCLUSION

The Regional Director correctly concluded that the Foreign Sovereign Immunities Act does not bar NLRB jurisdiction from Employer Islamic Saudi Academy. Saudi Arabia seeks to run a commercial school of more than six-hundred (600) students within the United States, without being subject to United States labor law. The school has attempted to shield itself from United States laws in the past, as is demonstrated in the Ghawanmeh case. Ghawanmeh v. Islamic Saudi Academy, 672 F. Supp.2d 3 (2009) (holding, *inter alia*, that Islamic Saudi Academy is not immune from Title VII of the Civil Rights Act and Family and Medical Leave Act, since the Foreign Sovereign Immunities Act does not bar jurisdiction over the school). The US District Court in DC did not allow ISA to be immune from United States law, and neither should the National Labor relations Board.

ISA is not immune from United States labor law through the FSIA, since it engages in commercial activity within the meaning of FSIA and the employer waived sovereign immunity by various choice of laws clauses in contracts with its employees and with certain business partners. Petitioner respectfully requests that the National Labor Relations Board assert jurisdiction over the Islamic Saudi Academy, find the petitioned-for unit appropriate and set an election date.

Respectfully Submitted,

/s/

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing **PETITIONER'S OPPOSITION TO EMPLOYER'S REQUEST FOR REVIEW** was served by sending a true and correct copy via email on this 4<sup>th</sup> day of July, 2012, to the parties listed below:

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\_\_\_\_\_  
/s/  
Kevin M. Plessner  
*Attorney and Representative for ISAEPA*

# **EXHIBIT A**

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1 traditional government function. It is operated through and  
 2 overseen by the Embassy of the Kingdom of Saudi Arabia and,  
 3 as a result, it does not -- there's no exception to the  
 4 application of the Foreign Sovereign Immunities Act, and the  
 5 institution should not be subject to jurisdiction of the  
 6 Court.  
 7 HEARING OFFICER HELTZER: Thank you.  
 8 Will the parties stipulate to the following commerce  
 9 facts? The Employer, Islamic Saudi Academy, an  
 10 instrumentality of the Kingdom of Saudi Arabia, located in  
 11 Fairfax County, Virginia, is a non-profit private educational  
 12 institution with its principal place of business in Fairfax  
 13 County, Virginia. During the past 12 months, in conducting  
 14 its operations described herein, the Employer derived gross  
 15 revenues available for operating expenses in excess of one  
 16 million dollars. In conducting the operations described  
 17 herein during the period described above, the Employer  
 18 purchased and received at its Alexandria, Virginia facility  
 19 products, goods, and materials valued in excess of \$5,000  
 20 directly from points outside the Commonwealth of Virginia.  
 21 Mr. Farrell, do you so stipulate for the Employer?  
 22 MR. FARRELL: We do.  
 23 HEARING OFFICER HELTZER: And, Mr. Plessner, do you so  
 24 stipulate for the Petitioner?  
 25 MR. PLESSNER: Yes.

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1 HEARING OFFICER HELTZER: The stipulation is received.  
 2 Mr. Plessner, is the correct and complete name of the  
 3 Petitioner that which appears on the petition filed in this  
 4 case, Islamic Saudi Academy, that being Islamic Saudi Academy  
 5 Employee Professional Association (ISAEPa)?  
 6 MR. PLESSNER: That's correct.  
 7 HEARING OFFICER HELTZER: Can it be stipulated that the  
 8 Petitioner herein, Islamic Saudi Academy Employee  
 9 Professional Association (ISAEPa), is a labor organization  
 10 within the meaning of the National Labor Relations Act, as  
 11 amended?  
 12 Mr. Farrell, do you so stipulate for the Employer?  
 13 MR. FARRELL: We do.  
 14 HEARING OFFICER HELTZER: Mr. Plessner, do you so  
 15 stipulate for the Petitioner?  
 16 MR. PLESSNER: Yes.  
 17 HEARING OFFICER HELTZER: The stipulation is received.  
 18 Mr. Farrell, does the Employer decline at this time to  
 19 recognize the Petitioner as the exclusive collective  
 20 bargaining agent for the employees in the unit petitioned for  
 21 until such time as it is certified as such and an appropriate  
 22 unit is determined by the National Labor Relations Board?  
 23 MR. FARRELL: We do decline to recognize the Union.  
 24 HEARING OFFICER HELTZER: Do any of the parties contend  
 25 that there is a contract covering any of the employees

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1 petitioned for that would be a bar to an election in this  
 2 case?  
 3 For the Petitioner?  
 4 MR. PLESSNER: No.  
 5 HEARING OFFICER HELTZER: For the Employer?  
 6 MR. FARRELL: No.  
 7 HEARING OFFICER HELTZER: Can it be stipulated that  
 8 there is no contract or other bar in existence that would  
 9 preclude the processing of this petition?  
 10 Mr. Plessner, do you so stipulate for the Petitioner?  
 11 MR. PLESSNER: Yes.  
 12 HEARING OFFICER HELTZER: Mr. Farrell, do you so  
 13 stipulate for the Employer?  
 14 MR. FARRELL: I do.  
 15 HEARING OFFICER HELTZER: The stipulation is received.  
 16 Off the record.  
 17 (Off the record from 9:58 a.m. to 10:00 a.m.)  
 18 HEARING OFFICER HELTZER: Can it be stipulated that  
 19 there is no history of collective bargaining between the  
 20 parties in this case?  
 21 Mr. Plessner, do you so stipulate for the Petitioner?  
 22 MR. PLESSNER: Yes.  
 23 HEARING OFFICER HELTZER: Mr. Farrell, do you so  
 24 stipulate for the Employer?  
 25 MR. FARRELL: Yes.

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1 HEARING OFFICER HELTZER: The stipulation is received.  
 2 Are there any petitions pending in other Regional  
 3 Offices involving other facilities of the Employer?  
 4 Mr. Farrell, are you aware of any?  
 5 MR. FARRELL: I'm not aware of any.  
 6 HEARING OFFICER HELTZER: Mr. Plessner, are you aware of  
 7 any?  
 8 MR. PLESSNER: I'm also not aware of any.  
 9 HEARING OFFICER HELTZER: Off the record.  
 10 (Off the record from 10:00 a.m. to 10:48 a.m.)  
 11 HEARING OFFICER HELTZER: According to the petition, the  
 12 Petitioner is seeking a unit of teachers and administrative  
 13 employees, but excluding management and supervisory  
 14 employees.  
 15 Mr. Plessner, does the Petitioner wish to amend the  
 16 petition to seek the following unit: all full-time and  
 17 regular part-time employees employed by the Employer, but  
 18 excluding all bus driver managers; maintenance managers;  
 19 vehicle maintenance foremen; temporary health employees;  
 20 English as a second language substitute teachers, also known  
 21 as ESL teachers; physical education substitute teachers, also  
 22 known as PE substitute teachers; controllers; elementary  
 23 coordinators; West Campus coordinators; assistant principals;  
 24 vice principals; principals; directors of education;  
 25 personnel managers; business managers; finance officers;

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1 MR. FARRELL: For the record, I'd like to introduce  
2 another exhibit.  
3 HEARING OFFICER HELTZER: Do you want to move this into  
4 evidence at some point?  
5 MR. FARRELL: I would move that into evidence.  
6 HEARING OFFICER HELTZER: Okay. Well, any objections?  
7 MR. PLESSNER: No objection.  
8 HEARING OFFICER HELTZER: All right. So, Employer's  
9 Exhibit 2 is received.  
10 (Employer's Exhibit 2 received in evidence.)  
11 HEARING OFFICER HELTZER: I do want to note also, I  
12 guess, page 1 is a letter. Or page 1 of Employer Exhibit 2  
13 says, "Respectfully, Director-General." You're an Acting  
14 Director General; that's correct?  
15 THE WITNESS: Yes.  
16 HEARING OFFICER HELTZER: Okay. And this was -- you  
17 weren't involved in the development of this document, given  
18 that it was -- it's dated, at least some parts of it. I  
19 mean --  
20 THE WITNESS: Right.  
21 HEARING OFFICER HELTZER: -- actually I should just ask.  
22 THE WITNESS: Right.  
23 HEARING OFFICER HELTZER: Were you involved at all in  
24 developing any of this document?  
25 THE WITNESS: Very little, no. It was in place when I

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1 was assigned the position.  
2 HEARING OFFICER HELTZER: And this document is currently  
3 in effect at the facility?  
4 THE WITNESS: Yes.  
5 MR. FARRELL: And we will ask some more questions about  
6 the document going forward.  
7 HEARING OFFICER HELTZER: All right.  
8 MR. FARRELL: This is Exhibit 42. It's the lease  
9 agreement.  
10 (Employer's Exhibit 42 marked for identification.)  
11 HEARING OFFICER HELTZER: I do -- I know that we are  
12 jumping around a little bit, but I do want to go back to the  
13 divisions and just identify what they are.  
14 MR. FARRELL: I will be happy to do that. I just  
15 thought, because we got into the topic --  
16 HEARING OFFICER HELTZER: No. Just because we were --  
17 that's quite right. You are following my lead, and I  
18 appreciate that. I do want to backtrack, though, and just --  
19 MR. FARRELL: Absolutely.  
20 HEARING OFFICER HELTZER: -- briefly identify the  
21 various divisions.  
22 Q. BY MR. FARRELL: Dr. Schultz, is this the lease that is  
23 currently in effect for the facility at which the 2 through  
24 12 is operating?  
25 A. Yes.

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1 Q. And this lease indicates it's a lease between the Saudi  
2 Academy and the County of Fairfax?  
3 HEARING OFFICER HELTZER: Well, I mean --  
4 MR. FARRELL: I'm sorry. The Saudi Embassy. I  
5 misspeak.  
6 HEARING OFFICER HELTZER: If you could rephrase that  
7 question a little bit.  
8 MR. FARRELL: Yes.  
9 Q. BY MR. FARRELL: Who are the parties to the lease?  
10 A. The Royal Embassy of the King of Saudi Arabia and the  
11 Fairfax County Board of Supervisors.  
12 Q. And there are no other facilities other than the  
13 facility owned by the Embassy and the facility leased by the  
14 Embassy; is that correct?  
15 A. That are used for educational purposes, no.  
16 Q. Right.  
17 A. We lease a parking lot next to the school.  
18 HEARING OFFICER HELTZER: Who do you lease that from?  
19 THE WITNESS: The owner of the restaurant that -- he  
20 leases part of his parking lot to us.  
21 HEARING OFFICER HELTZER: And which facility is that?  
22 THE WITNESS: I don't know the name of the restaurant.  
23 HEARING OFFICER HELTZER: No, no. I'm sorry. The  
24 facility -- is that --  
25 THE WITNESS: Oh. Richmond Highway.

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1 HEARING OFFICER HELTZER: Okay.  
2 THE WITNESS: I'm sorry.  
3 HEARING OFFICER HELTZER: So the school leases a parking  
4 lot?  
5 THE WITNESS: Yeah. Parking facilities.  
6 COURT REPORTER: Sir, speak up. When you're turning  
7 towards him, I'm missing what you're saying.  
8 HEARING OFFICER HELTZER: Yeah. If you would just --  
9 THE WITNESS: Gotcha.  
10 HEARING OFFICER HELTZER: If we move the microphones, is  
11 that helpful, Ms. Court Reporter?  
12 COURT REPORTER: It is, but he keeps turning completely  
13 this way.  
14 HEARING OFFICER HELTZER: Okay.  
15 THE WITNESS: Okay.  
16 COURT REPORTER: Yeah, you should be good.  
17 THE WITNESS: All right.  
18 COURT REPORTER: All right. The last answer was -- did  
19 you say, "Right"? Okay. Thank you.  
20 HEARING OFFICER HELTZER: So the -- and who was party to  
21 that lease for the parking facilities? Who are the parties  
22 on that lease, if you know?  
23 THE WITNESS: I don't know the owner of the property  
24 right now.  
25 HEARING OFFICER HELTZER: Okay.

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1 THE WITNESS: And the Islamic -- the Academy. The  
2 Academy via the Embassy --  
3 HEARING OFFICER HELTZER: Okay.  
4 THE WITNESS: -- we lease it, yes.  
5 HEARING OFFICER HELTZER: About how many cars can fit in  
6 that, roughly?  
7 THE WITNESS: Seventy-five to a hundred.  
8 HEARING OFFICER HELTZER: Okay. And is it a --  
9 THE WITNESS: It's not paved.  
10 HEARING OFFICER HELTZER: What kind of facility is it?  
11 THE WITNESS: It's not paved. Part of it is paved, part  
12 of it's just sand, gravel.  
13 HEARING OFFICER HELTZER: Is it just an open lot?  
14 THE WITNESS: One of -- part of it is, part of it is  
15 partitioned off by parking place --  
16 HEARING OFFICER HELTZER: Okay. Very good.  
17 THE WITNESS: It's used by students and employees.  
18 HEARING OFFICER HELTZER: Okay. All right. Thank you.  
19 All right, Mr. --  
20 Q. BY MR. FARRELL: And the Embassy leases for the --  
21 A. Yes.  
22 Q. -- Academy?  
23 A. Yes.  
24 HEARING OFFICER HELTZER: And do you have a copy of that  
25 lease, sir?

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1 MR. FARRELL: I do not have a copy of that lease.  
2 HEARING OFFICER HELTZER: Okay.  
3 Q. BY MR. FARRELL: Referring back to the diagram that we  
4 were looking at earlier --  
5 MR. FARRELL: And I would move the lease --  
6 HEARING OFFICER HELTZER: Well, actually let me back up.  
7 I'm sorry.  
8 Do you know how much the lease or the -- how much it  
9 costs to rent?  
10 THE WITNESS: Yes, I do. It was approximately \$3,000 a  
11 month, in that area.  
12 HEARING OFFICER HELTZER: And you said --  
13 THE WITNESS: Yeah, 3,000, maybe \$3,500 per month.  
14 HEARING OFFICER HELTZER: And it's leased from --  
15 THE WITNESS: A private party.  
16 HEARING OFFICER HELTZER: -- a private party?  
17 THE WITNESS: A man who owns the restaurant in that  
18 area. Yes.  
19 HEARING OFFICER HELTZER: Do you know anything about  
20 those individuals?  
21 THE WITNESS: It was just -- it just exchanged hands.  
22 The restaurant was just sold about a year ago.  
23 HEARING OFFICER HELTZER: What kind of restaurant is it?  
24 THE WITNESS: It's a sit-down restaurant. I think it's  
25 Latino based right now.

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1 HEARING OFFICER HELTZER: Okay. And --  
2 THE WITNESS: I have not been in it myself.  
3 HEARING OFFICER HELTZER: Okay. Thank you.  
4 Go ahead.  
5 MR. FARRELL: Okay?  
6 HEARING OFFICER HELTZER: Yes.  
7 Q. BY MR. FARRELL: Just referring back to the diagram that  
8 we were looking at a moment ago, you were explaining what  
9 operations were occurring at different facilities. Where it  
10 says, "ISA First Floor," is that the --  
11 HEARING OFFICER HELTZER: And you're now looking back at  
12 Employer Exhibit 2?  
13 MR. FARRELL: It's Employer Exhibit 2.  
14 HEARING OFFICER HELTZER: And you're looking at the --  
15 let's see. I'm sorry. Did you say the lower level?  
16 MR. FARRELL: Page immediately following the  
17 organizational chart.  
18 HEARING OFFICER HELTZER: Thank you. Go ahead.  
19 MR. FARRELL: Okay.  
20 Q. BY MR. FARRELL: Is this the facility at which the 2  
21 through 12 is conducted?  
22 A. Yes. This is the facility at Richmond Highway.  
23 Q. Okay. And this depicts the separate girls' office and  
24 boys' office on the page?  
25 A. Yes.

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1 Q. And is there a reason that there is a separate girls'  
2 office and boys' office?  
3 A. They have separate administrations. There is a girls'  
4 principal and boys' principal, boys' school principal. Yes.  
5 Q. Is there also separation of the boys and girls in --  
6 during the school day?  
7 A. Yes. Completely.  
8 Q. And why is that?  
9 A. The Islamic customs and cultures. Yes. They eat at  
10 different times during the day. They go in and exit out of  
11 special doors, and so they're separated throughout the day,  
12 yes.  
13 HEARING OFFICER HELTZER: Tell me more about the special  
14 doors.  
15 THE WITNESS: Well, they're just different exits, one  
16 side on the girls' side and one side on the boys' side.  
17 HEARING OFFICER HELTZER: Understood. Okay.  
18 Q. BY MR. FARRELL: The diagram also depicts a mosque. Is  
19 there a mosque on the property?  
20 A. Yeah. I think we would call it a mosque or a prayer  
21 room. Yes. That's what's used by the boys for their  
22 prayers, afternoon prayer. The girls, mats and carpets are  
23 laid down in the gymnasium, and the girls use that as their  
24 prayer room.  
25 Q. And that's, again, for separation purposes?

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1 THE WITNESS: We advertise a private school in  
 2 Alexandria is looking for a particular teacher. We give the  
 3 requirements. We prefer experience, we prefer degrees, we  
 4 prefer certification, from Virginia if possible.  
 5 HEARING OFFICER HELTZER: What kind of certification  
 6 from Virginia?  
 7 THE WITNESS: A teacher's license.  
 8 HEARING OFFICER HELTZER: Does the school require a  
 9 teacher -- a Virginia teacher's license?  
 10 THE WITNESS: We do not, but we are working towards  
 11 getting everyone to have that. We're not there yet, but  
 12 we're working on it, yes.  
 13 HEARING OFFICER HELTZER: And so the school wishes to  
 14 have all teachers certified --  
 15 THE WITNESS: Yes.  
 16 HEARING OFFICER HELTZER: -- by the State of Virginia to  
 17 be teachers?  
 18 THE WITNESS: Yes.  
 19 HEARING OFFICER HELTZER: Okay.  
 20 THE WITNESS: Yes.  
 21 HEARING OFFICER HELTZER: Okay. I'm sorry. Continue  
 22 describing the advertisement, if you would.  
 23 THE WITNESS: It lists the position, describes the  
 24 position. We don't list our salary in it. We say we are a  
 25 private school. We don't say what kind of private school.

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1 When we interview people, we do not ask them what their  
 2 religion is. That's not a factor. We're looking for good  
 3 teachers who have experience, who are qualified, who have  
 4 good credentials and good references.  
 5 HEARING OFFICER HELTZER: Okay. And there's no mention  
 6 of religion in the advertisement at all, either?  
 7 THE WITNESS: No, no. They will find that out when they  
 8 come, but we don't advertise that. Correct.  
 9 HEARING OFFICER HELTZER: Okay. Mr. Farrell.  
 10 THE WITNESS: Now, the only exception would be for an  
 11 Islamic teacher or an Arabic teacher. We would obviously  
 12 want --  
 13 HEARING OFFICER HELTZER: For those classes?  
 14 THE WITNESS: Correct. For those classes we have  
 15 special requirements.  
 16 HEARING OFFICER HELTZER: Okay.  
 17 THE WITNESS: Arabic teachers, we prefer that be their  
 18 first language, Arabic be their first language.  
 19 HEARING OFFICER HELTZER: But does that require that  
 20 they are Muslim?  
 21 THE WITNESS: All of the Arabic teachers we have now are  
 22 Muslims.  
 23 HEARING OFFICER HELTZER: Is it a requirement that they  
 24 are?  
 25 THE WITNESS: I don't know. I don't believe it would

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1 be. It would be if they were going to teach Islamic studies.  
 2 HEARING OFFICER HELTZER: Okay. And that's --  
 3 THE WITNESS: And then the imam -- the school would be  
 4 involved in that very deeply.  
 5 HEARING OFFICER HELTZER: And -- well, you'll certainly  
 6 develop what -- which students take Islamic studies courses,  
 7 I imagine.  
 8 MR. FARRELL: Yes, we will.  
 9 HEARING OFFICER HELTZER: And when they're offered --  
 10 MR. FARRELL: In fact, I can ask that question right  
 11 now. Who's required --  
 12 HEARING OFFICER HELTZER: Well, I mean I understand that  
 13 I am jumping in and sort of -- and making this a little bit  
 14 disjointed --  
 15 MR. FARRELL: Right.  
 16 HEARING OFFICER HELTZER: -- for you. I recognize that.  
 17 So I don't -- I do want to ask as things comes up, but I --  
 18 you know, if you're going to develop that, then I'll let you  
 19 develop that --  
 20 MR. FARRELL: I will --  
 21 HEARING OFFICER HELTZER: -- at the right time.  
 22 MR. FARRELL: -- but it's perfectly fine.  
 23 Q. BY MR. FARRELL: Could you explain who is required to  
 24 take Islamic studies at the school?  
 25 A. All students who attend the school are required to take

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1 Islamic studies, and all students are required to take Arabic  
 2 also so they can read the Holy Quran in the Arabic language.  
 3 Q. And that would be similar to having Hebrew at a Jewish  
 4 school, so you could read --  
 5 A. Correct. The thing as in a Christian school or a Jewish  
 6 school. They would be required to learn the language that  
 7 their holy book is written in. Correct.  
 8 HEARING OFFICER HELTZER: Is it contemporary Arabic or  
 9 is -- for example, the comparison with Judaism. There's  
 10 Hebrew as a language that's used and then there's Hebrew that  
 11 exists in certain religious documents. What kind of Arabic  
 12 is taught in the Arabic? Because I've seen Arabic as a  
 13 second language. There's that. Is that correct?  
 14 THE WITNESS: Yes. We have Arabic as a second language  
 15 for those students who come in not having Arabic as their  
 16 native language --  
 17 HEARING OFFICER HELTZER: Okay. So what --  
 18 THE WITNESS: -- and so we teach them.  
 19 HEARING OFFICER HELTZER: So what variety of Arabic is  
 20 taught to these students?  
 21 THE WITNESS: I don't speak Arabic, but I assume it's  
 22 contemporary, but with a heavy influence on the Arabic of the  
 23 Quran.  
 24 Q. BY MR. FARRELL: And how does the Arabic language relate  
 25 to the Islamic studies program?

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1 A. Islamic studies program is taught completely in Arabic.  
 2 Now, for those beginners in ASL, there may be some English to  
 3 get them started until they are comfortable with the Arabic,  
 4 yes.  
 5 Q. But the students are taught to read the Holy Quran in  
 6 the original language?  
 7 A. Correct.  
 8 HEARING OFFICER HELTZER: And also, you said all  
 9 students must take these courses?  
 10 THE WITNESS: Yes.  
 11 HEARING OFFICER HELTZER: How frequently do they take --  
 12 are they at all grade levels, or is it --  
 13 THE WITNESS: They are.  
 14 HEARING OFFICER HELTZER: -- at various times?  
 15 THE WITNESS: They're at all grade levels and at various  
 16 time periods -- hours during the week. Some require 30  
 17 minutes every other day, some require 40 minutes every other  
 18 day. If you're in high school, you take approximately an  
 19 hour-and-a-half every other day because they're on a block  
 20 schedule. So it varies a great deal, depending on the time  
 21 schedule for that particular level. Yes.  
 22 HEARING OFFICER HELTZER: Okay. And when does the  
 23 instruction in Arabic begin? For what age students?  
 24 THE WITNESS: Day one.  
 25 HEARING OFFICER HELTZER: Kindergarten?

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1 THE WITNESS: Yes.  
 2 HEARING OFFICER HELTZER: Okay. And through the 12th  
 3 grade?  
 4 THE WITNESS: Yes.  
 5 HEARING OFFICER HELTZER: And that's the -- the extent  
 6 of the school is --  
 7 THE WITNESS: Yes.  
 8 HEARING OFFICER HELTZER: -- kindergarten through 12?  
 9 THE WITNESS: Yes.  
 10 HEARING OFFICER HELTZER: Okay. Go ahead.  
 11 Q. BY MR. FARRELL: Okay. And the Islamic studies is  
 12 throughout the entire school program?  
 13 A. Correct.  
 14 HEARING OFFICER HELTZER: Is that also kindergarten  
 15 through 12, sir?  
 16 THE WITNESS: Yes.  
 17 HEARING OFFICER HELTZER: Okay.  
 18 Q. BY MR. FARRELL: And the amount of time spent on that  
 19 increases as the students become more senior; is that  
 20 correct?  
 21 A. Correct, correct.  
 22 HEARING OFFICER HELTZER: From what to what? I mean how  
 23 does it begin to -- for kindergarteners, for example, how --  
 24 THE WITNESS: Probably 30 minutes every other day. And  
 25 when you get to be a senior in high school, it's roughly an

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1 hour-and-a-half every other day because we have a block  
 2 schedule four days of the week, and then on the fifth day  
 3 it's 45 minutes. So it varies a great deal, but it gets more  
 4 demanding and more detailed as you get older.  
 5 HEARING OFFICER HELTZER: Okay. And are you aware of  
 6 what -- I mean maybe the individuals that'll testify who deal  
 7 with the educational program exclusively may be more equipped  
 8 to explain, but --  
 9 THE WITNESS: Yes.  
 10 HEARING OFFICER HELTZER: I mean do you know from  
 11 kindergarten, first, second, third, all the way up, how much  
 12 instruction each student has in both Arabic and then the  
 13 separate class, the Islamic class?  
 14 THE WITNESS: I can't tell you the minutes. The  
 15 director of education --  
 16 HEARING OFFICER HELTZER: Okay. Very good.  
 17 THE WITNESS: -- will know that better.  
 18 HEARING OFFICER HELTZER: Okay. Thank you.  
 19 Go ahead, Mr. Farrell.  
 20 Q. BY MR. FARRELL: All right. Let's see. There's also a  
 21 transportation department; is that correct?  
 22 A. Yes, yes.  
 23 Q. And could you explain what the transportation department  
 24 does?  
 25 A. The transportation department maintains our buses,

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1 supervises the drivers, and then maintains -- we have five or  
 2 six other vehicles, such as vans, personal cars, and so on,  
 3 and they provide transportation. They develop the routes of  
 4 the transportation. They supervise the drivers, make sure --  
 5 all the drivers must be certified in the State of Virginia --  
 6 HEARING OFFICER HELTZER: What kind of certification do  
 7 they have to have?  
 8 THE WITNESS: State of Virginia Department of  
 9 Transportation requires that they be certified as bus  
 10 drivers. They take yearly upgrades. They take yearly  
 11 training to make sure that they are -- and we have a full-  
 12 time mechanic who maintains the buses. Any safety -- lights  
 13 that go out or fix it immediately the day it happens to make  
 14 sure everything is proper.  
 15 HEARING OFFICER HELTZER: Do the buses -- are the buses  
 16 inspected by any --  
 17 THE WITNESS: Yes, by the State.  
 18 HEARING OFFICER HELTZER: State of Virginia?  
 19 THE WITNESS: Yes.  
 20 HEARING OFFICER HELTZER: Or the Commonwealth of  
 21 Virginia.  
 22 THE WITNESS: And the drivers have to inspect their  
 23 buses every day also. Before they go out, they do a visual  
 24 walk-around.  
 25 HEARING OFFICER HELTZER: Go ahead, Mr. Farrell.

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1 report to the director of education for curriculum matters.  
 2 Are we following the math curriculum or are we following the  
 3 history curriculum and so on and so forth.  
 4 HEARING OFFICER HELTZER: Understood.  
 5 THE WITNESS: So their job is somewhat divided. Yes.  
 6 HEARING OFFICER HELTZER: Okay. Thank you.  
 7 Go ahead, Mr. Farrell.  
 8 Q. BY MR. FARRELL: Okay. There's also a cafeteria  
 9 division; is that correct?  
 10 A. Yes.  
 11 Q. And could you describe what that does?  
 12 A. Yeah. We have one man who is the director of the  
 13 cafeteria. He has one person who was hired by the school,  
 14 and then he has two or three contract people who work with  
 15 the maintenance staff who help them to set up and so on and  
 16 so forth. He purchases the food from a food supplier. They  
 17 prepare the food, they serve the food, and so on and so  
 18 forth.  
 19 HEARING OFFICER HELTZER: What kind of food is it?  
 20 THE WITNESS: Halal food. All of it's halal. All of  
 21 it's approved. The greatest day of the week is pizza day.  
 22 HEARING OFFICER HELTZER: Usually is the greatest day.  
 23 That's true.  
 24 THE WITNESS: Yeah, right.  
 25 Q. BY MR. FARRELL: Could you explain just for the record

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1 what "halal" means?  
 2 A. It's prepared according to Islamic customs and cultures.  
 3 HEARING OFFICER HELTZER: Is there any non-halal food  
 4 that's prepared in the school?  
 5 THE WITNESS: There's not supposed to be. No, no.  
 6 HEARING OFFICER HELTZER: Well, "not supposed to be" is  
 7 different than whether it is or isn't.  
 8 THE WITNESS: No.  
 9 HEARING OFFICER HELTZER: Thank you.  
 10 Go ahead.  
 11 Q. BY MR. FARRELL: If you became aware that there was non-  
 12 halal food being prepared, what would be the consequence of  
 13 that?  
 14 A. A warning and be told. But the man who does it is a  
 15 Muslim, so I don't think that he would intentionally do it.  
 16 I think he's very careful with it.  
 17 Q. And if that were --  
 18 A. And his assistant is also a Muslim.  
 19 Q. And if that were a repeated offense, would that be a  
 20 serious concern?  
 21 A. Yes, it would be very serious, yes.  
 22 Q. In that regard, do you have any interactions with the  
 23 parents or families about the school?  
 24 A. Very few. Most of the contact with parents goes to the  
 25 principals, and then it also goes to the teachers. I think

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1 we're very open in dealing with our parents. Our parents  
 2 feel comfortable to come in and talk with the teachers or  
 3 with the administrators. If I hear from a parent, it's  
 4 usually about a financial issue, that they've talked to the  
 5 business manager and he -- the finance director and he's  
 6 asked them to talk to me about it. And that doesn't happen  
 7 very often.  
 8 Q. There is also a maintenance division?  
 9 A. Um-hmm.  
 10 Q. Could you describe what the maintenance division does?  
 11 A. Yeah. The maintenance division does not clean. We hire  
 12 a cleaning service to do our cleaning. The maintenance  
 13 division maintains, repairs the building, maintains or  
 14 repairs the bathrooms, repairs the air conditions, and so on  
 15 and so forth. That's what they do. Repair broken windows.  
 16 They don't do the cleaning. That's another service. That's  
 17 a contract service.  
 18 HEARING OFFICER HELTZER: I want to ask about that.  
 19 What service is that? Do you know the name of the company?  
 20 THE WITNESS: The head of the company is a Lebanese man  
 21 called Cy (ph.). I don't know the name of the company --  
 22 HEARING OFFICER HELTZER: Okay. And --  
 23 THE WITNESS: -- right off the top of my head.  
 24 HEARING OFFICER HELTZER: Do you know how much -- do you  
 25 know what state the -- that company --

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1 THE WITNESS: Virginia, yeah.  
 2 HEARING OFFICER HELTZER: State of Virginia? And do you  
 3 know how much they're paid? It's only if you know, sir.  
 4 THE WITNESS: Like, yeah, 14 or 15 thousand a month,  
 5 somewhere in there.  
 6 HEARING OFFICER HELTZER: Okay.  
 7 THE WITNESS: And another contracted service we have is  
 8 security, which would fall right after. We contract with a  
 9 security company called First Alarm. They hire their own.  
 10 They supervise their staff. They are responsible for making  
 11 sure all their people are qualified, and they evaluate them  
 12 and dismiss them if infractions are, you know, done by any of  
 13 their employees. And their contract is about \$17,000 a month  
 14 also -- or 17,000 every two weeks -- no, a month.  
 15 HEARING OFFICER HELTZER: Based on your knowledge and  
 16 experience and your time serving as Acting Director General,  
 17 have there been any disputes with either the cleaning company  
 18 or the security company, or that the school said that -- was  
 19 there any litigation?  
 20 THE WITNESS: No.  
 21 HEARING OFFICER HELTZER: Okay.  
 22 THE WITNESS: No.  
 23 HEARING OFFICER HELTZER: And what kind of agreements?  
 24 You have contracts with them, you said?  
 25 THE WITNESS: Yes.



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<p>1 HEARING OFFICER HELTZER: Do you have a copy of those 2 contracts here?</p> <p>3 MR. FARRELL: No, we do not.</p> <p>4 HEARING OFFICER HELTZER: Okay. Go ahead, Mr. Farrell.</p> <p>5 Q. BY MR. FARRELL: Okay. I think finally we have a 6 technology division. Could you describe what the technology 7 division does?</p> <p>8 A. Yeah. The technology division supervise all the 9 technology in the school, from the internet to maintaining 10 the computer systems and maintaining the connections and so 11 on and so forth. There are two people. One person is a 12 software person, the other person is a hardware person, and 13 they're both full-time people. Dr. Hammad is the head of 14 that department, and they supervise and install, clean up our 15 computers, repair our computers, and so on, and recommend 16 purchases for that department also.</p> <p>17 Q. Could you -- although we've been talking about the 18 Academy for a while, could you generally describe what the 19 Academy is?</p> <p>20 HEARING OFFICER HELTZER: Well, before we do that, you 21 mentioned there are purchases --</p> <p>22 THE WITNESS: Um-hmm.</p> <p>23 HEARING OFFICER HELTZER: -- in the technology 24 department. What kind of purchases?</p> <p>25 THE WITNESS: That would be computer replacement,</p>	<p>1 THE WITNESS: And that was done three years ago, I 2 believe.</p> <p>3 HEARING OFFICER HELTZER: Okay. Go ahead.</p> <p>4 Q. BY MR. FARRELL: Could you describe in general terms 5 what the Islamic Saudi Academy is?</p> <p>6 A. Um-hmm. It's a K-12 educational system set up under 7 Saudi law by King Fahd at the time, 1984, to provide 8 education for Saudi diplomats' children and any other Muslim 9 children who are in the area of Washington, D.C. Follows an 10 American curriculum with Saudi Arabian Islamic and Arabic.</p> <p>11 HEARING OFFICER HELTZER: Is there any religious 12 requirement for the students?</p> <p>13 THE WITNESS: They have to attend the Islamic studies 14 all the time, everyone, every --</p> <p>15 HEARING OFFICER HELTZER: No. Their own religious 16 affiliation.</p> <p>17 THE WITNESS: Oh. No.</p> <p>18 HEARING OFFICER HELTZER: So --</p> <p>19 THE WITNESS: Since I've been there -- in the time I've 20 been there, there have been no non-Muslim students. There 21 are non-Muslim teachers and faculty on staff, but not 22 students. I believe there may have been before, but --</p> <p>23 HEARING OFFICER HELTZER: Okay. So since November 24 2008 --</p> <p>25 THE WITNESS: '8. Correct.</p>
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<p>1 computers, replacement keyboards.</p> <p>2 HEARING OFFICER HELTZER: Okay.</p> <p>3 THE WITNESS: You know, replacement routers, that sort 4 of thing.</p> <p>5 HEARING OFFICER HELTZER: And --</p> <p>6 THE WITNESS: Major purchases have to go to the board. 7 I have a limit of what I can purchase without board approval.</p> <p>8 HEARING OFFICER HELTZER: And what is that limit?</p> <p>9 THE WITNESS: \$10,000.</p> <p>10 HEARING OFFICER HELTZER: And are you aware of what 11 vendors or what merchants that purchases have been made from, 12 technology purchases have been made from?</p> <p>13 THE WITNESS: We haven't made any major ones for a long 14 time. The last major one was software, the Student 15 Information System.</p> <p>16 HEARING OFFICER HELTZER: I'm sorry. From what?</p> <p>17 THE WITNESS: Student Information System. It's called 18 SIS.</p> <p>19 HEARING OFFICER HELTZER: Okay. Is that the name of the 20 company or the software?</p> <p>21 THE WITNESS: No. That's the system, the software.</p> <p>22 HEARING OFFICER HELTZER: Do you know --</p> <p>23 THE WITNESS: It maintains all student records, you 24 know, admissions, report cards and so on and so forth.</p> <p>25 HEARING OFFICER HELTZER: Okay.</p>	<p>1 HEARING OFFICER HELTZER: -- there's not been one non- 2 Muslim student?</p> <p>3 THE WITNESS: Correct.</p> <p>4 HEARING OFFICER HELTZER: Okay. Thank you. 5 Go ahead.</p> <p>6 Q. BY MR. FARRELL: And could you tell me, what is the 7 mission or purpose of the Islamic Saudi Academy?</p> <p>8 A. Well, the mission is in all the books, and it's in the 9 employee handbook. If I could go to that and --</p> <p>10 Q. You can --</p> <p>11 A. -- refer to that.</p> <p>12 Q. -- certainly reference that.</p> <p>13 A. Give me a second here.</p> <p>14 HEARING OFFICER HELTZER: Well, I mean the document 15 obviously can speak for itself.</p> <p>16 THE WITNESS: Yes.</p> <p>17 MR. FARRELL: Yeah.</p> <p>18 HEARING OFFICER HELTZER: And you as the Acting Director 19 General, you -- I trust you very well know the mission. So 20 you can just explain based on your knowledge and experience 21 in that capacity.</p> <p>22 THE WITNESS: Well, it's to provide, first of all, for 23 the Saudi students and other Muslim students a background and 24 to strengthen their belief and their understanding of the 25 Quran and the Islamic faith. It's to provide them, then,</p>

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<p>1 THE WITNESS: Well, the first option is given on page 7.  2 The first priority is sons and daughters of Saudi Arabian  3 nationals living in the United States, whether they be  4 diplomats or non-diplomats. Okay. The second priority is  5 sons and daughters of diplomats from the Arab countries and  6 Muslim countries residing in the Washington, D.C. area. The  7 third priority is young people from other Arab or foreign  8 Muslim families residing. And finally, the Academy -- and  9 they also accept applicants regardless of sex, race or creed  10 who meet the academic -- excuse me -- Academy standards and  11 requirements. So that will be local citizens.  12 Q. BY MR. FARRELL: Referring to that group, we've already  13 talked about the Saudi citizens and that they don't pay  14 tuition.  15 A. Um-hmm.  16 Q. There's a reference to sons and daughters of diplomats  17 from other Arab and Muslim countries residing in Washington,  18 D.C.  19 A. Right.  20 Q. What group would that be?  21 A. Those would be the diplomatic non-Saudis.  22 Q. And what tuition do they pay?  23 A. The 12,000.  24 Q. Okay.  25 A. Yes. Did I say that wrong? I might have said non-Saudi</p>	<p>1 mean is there special priority given to the children of  2 staff, as you mentioned before, or is -- I mean because you  3 addressed them in terms of the student body, that there  4 are --  5 THE WITNESS: Yeah.  6 HEARING OFFICER HELTZER: -- about 50 of them, but  7 this -- they're not reflected in the admissions. What  8 priority, if any, do they have?  9 THE WITNESS: They would be the last one. Other  10 applicants regardless of race, sex, or creed.  11 HEARING OFFICER HELTZER: Okay.  12 THE WITNESS: Yes.  13 HEARING OFFICER HELTZER: Okay.  14 Q. BY MR. FARRELL: Is the organization carried on as a  15 not-for-profit organization?  16 A. Yes.  17 Q. And is that reflected in the charter as well?  18 A. Yes, it is, I believe. Yes.  19 Q. And that is your experience, that it is, in fact,  20 conducted as a not-for-profit organization?  21 A. Yes.  22 Q. Are you familiar with the makeup of the board of  23 directors of the Academy?  24 HEARING OFFICER HELTZER: Well, let's talk about the  25 not-for-profit a little bit more. Can you explain the status</p>
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<p>1 diplomat.  2 Q. I think you said it correctly --  3 A. Okay.  4 Q. -- but I think it's --  5 A. Yeah.  6 Q. -- may be walking through this simpler. It then says  7 the next priority shall be accorded the young people from  8 other Arab and foreign Muslim families residing in the  9 Washington, D.C. area.  10 A. Um-hmm.  11 Q. And what group would they fall under?  12 A. The 6,000.  13 Q. Okay.  14 A. Yes. The normal -- what we call normal tuition, the  15 \$6,000.  16 Q. That's what you refer to as the local residents?  17 A. Right, yes.  18 Q. Okay.  19 A. Or they could be non-residents too, but they have to be  20 non-diplomatic. If they're diplomatic or with an  21 international organization, such as World Bank, they pay the  22 12,000.  23 Q. And then the final group would be other applicants?  24 A. Correct.  25 HEARING OFFICER HELTZER: This doesn't address the -- I</p>	<p>1 of the school in terms of being a not-for-profit or whatever  2 status it has?  3 THE WITNESS: Well, we -- it is not run with the idea of  4 trying to save money so that we can put money in the bank.  5 Okay? Our goal is to use our budget for the education of the  6 young people and for the benefit of the staff, pay the  7 salaries and so on and so forth. We are not directed by the  8 Embassy to try to save money so that they can return money to  9 the government. The money is given to us from the Saudi  10 government, and tuition, to run the school without the idea  11 of creating a profit. And since I've been there, we have not  12 had a profit because we continue to add improvements to the  13 school, technology, et cetera, et cetera, and textbooks and  14 so on. So we do not reflect a profit.  15 HEARING OFFICER HELTZER: Perhaps I could --  16 THE WITNESS: But I don't know the definition, the legal  17 definition of "not-for-profit" either.  18 HEARING OFFICER HELTZER: Are there any forms that you  19 fill out regarding the not-for-profit status of the ISA?  20 THE WITNESS: No.  21 HEARING OFFICER HELTZER: How did the school achieve  22 that status?  23 THE WITNESS: I don't know. It was there when I came,  24 and that's what the charter says it must operate as.  25 HEARING OFFICER HELTZER: Okay. But you're not familiar</p>

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1 with any other aspects, other than the charter, of the status  
2 of the school with regard to its not-for-profit circumstance?

3 THE WITNESS: Four or five years ago as I was coming to  
4 the school, they were applying for not-for-profit status, and  
5 we didn't qualify for it.

6 HEARING OFFICER HELTZER: Applying where?

7 THE WITNESS: With the State of Virginia for not-for-  
8 profit status, and then for various reasons they didn't  
9 qualify because of their connection with the Embassy, so --

10 HEARING OFFICER HELTZER: And when did that occur? What  
11 year?

12 THE WITNESS: It would have been in -- I came in 2008.  
13 They were just kind of in the middle of it, ending it, and  
14 they didn't qualify for it, so they backed away from it --

15 HEARING OFFICER HELTZER: Okay.

16 THE WITNESS: -- because of the --

17 HEARING OFFICER HELTZER: And since that -- And since  
18 that time, has the school attempted to re-apply?

19 THE WITNESS: No.

20 HEARING OFFICER HELTZER: Okay.

21 THE WITNESS: No.

22 MR. FARRELL: Can I ask some questions?

23 HEARING OFFICER HELTZER: Yeah.

24 Q. BY MR. FARRELL: Are you familiar with the school's  
25 status as an arm of the Saudi government?

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1 A. Yes, yes.

2 HEARING OFFICER HELTZER: Well, you know what? I mean  
3 if your questions can be a little bit more general. I  
4 mean --

5 MR. FARRELL: I understand. I'm just trying to get to  
6 the -- get to the point of the real question.

7 HEARING OFFICER HELTZER: Right, but this is an  
8 important issue --

9 MR. FARRELL: Okay.

10 HEARING OFFICER HELTZER: -- and I don't want the  
11 witness led on this.

12 THE WITNESS: It's an instrumentality of the government.  
13 We function as part of the Saudi government. Established  
14 under Saudi law. It says it in our charter and our bylaws,  
15 and so the school itself -- the school itself is tax-exempt  
16 as an organization because of its connection with the Saudi  
17 Embassy. The employees of the organization are not tax-  
18 exempt. The organization is, but not the employees, and I  
19 believe that the same would hold true for any other religious  
20 school. The organization itself would be tax-exempt, would  
21 not have to pay taxes, but the employees -- if I worked at a  
22 religious school, a Christian school, a Protestant school, I  
23 would have to pay taxes. And that's -- you know, that's the  
24 separation.

25 HEARING OFFICER HELTZER: Go ahead, Mr. Farrell.

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1 MR. FARRELL: Okay. And what I wanted to do was mark as  
2 Exhibit 32 a document concerning the tax status of the  
3 organization.

4 HEARING OFFICER HELTZER: Okay. Thank you.  
5 (Employer's Exhibit 32 marked for identification.)

6 Q. BY MR. FARRELL: Dr. Schultz, are you familiar with this  
7 document?

8 A. I am. This is a diplomatic note from one government to  
9 another government.

10 Q. And could you explain what the purpose of the document  
11 is?

12 A. Well, the purpose of the government was -- excuse me --  
13 the document was a request from the Embassy, the Embassy of  
14 Saudi Arabia, for clarification of -- the Department of  
15 Treasury of the United States was giving a tax-free status,  
16 an exemption from FICA and Social Security rates.

17 Q. And you are familiar with this because of your role as  
18 Acting Director?

19 A. Correct, correct.

20 Q. And when you're referring to the tax-free status, then,  
21 in relationship to the government of Saudi Arabia, is this  
22 part of what you're referring to?

23 A. Yes, yes.

24 MR. FARRELL: I would move to admit Exhibit 32.

25 HEARING OFFICER HELTZER: Mr. Plessner.

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1 MR. PLESSNER: Objection to relevance. The document  
2 states they're exempt from Social Security and unemployment  
3 taxes. Those are two very specific types of taxes and  
4 doesn't encompass the entire federal tax system.

5 HEARING OFFICER HELTZER: Well --

6 MR. PLESSNER: I don't know if there's been a proper  
7 foundation to the document, either.

8 HEARING OFFICER HELTZER: I mean I would like an  
9 additional foundation. I want to know more about this  
10 document and how this witness knows about it, but I am going  
11 to admit this document over your objection. It's clearly  
12 relevant. It may not -- I mean you can make whatever  
13 arguments or ask whatever questions you'd like, but I think  
14 it's absolutely relevant. But I do want a better foundation.

15 Q. BY MR. FARRELL: Okay. Dr. Schultz, could you --

16 HEARING OFFICER HELTZER: So just so it's clear,  
17 Employer's 32 is received. Go ahead.

18 Q. BY MR. FARRELL: Okay. Dr. Schultz, could you explain  
19 what the -- what the purpose of the document was, how you  
20 became familiar with it?

21 A. I became familiar with it when -- the school or the  
22 Embassy does not pay -- does not contribute to our Social  
23 Security or our FICA, the 7 1/2 percent. We are not  
24 receiving that. All of the contracts that we have, and have  
25 issued for some time, states that the employee is responsible

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1 disciplined. If it's a first time, they're probably warned.  
 2 Second or third time, they're dealt with more harshly. If  
 3 it's more than three, their parents may be called in and say,  
 4 "Your son, your daughter is required to attend and they're  
 5 not attending. We just want you to know." Yes.

6 HEARING OFFICER HELTZER: And we discussed attire and  
 7 dietary restrictions in terms of the faculty. What about the  
 8 students?

9 THE WITNESS: The girls wear uniforms. Their uniform is  
 10 a skirt and a blouse and a sweater. The boys have a uniform.  
 11 It's not as -- nearly as exacting because the boys have to  
 12 wear gray pants and a white shirt. The boys can't wear  
 13 shorts; they can't wear t-shirts. It has to be gray pants  
 14 and a certain shade of gray, and a white shirt, preferably a  
 15 white dress shirt. Can't be polo shirts with insignias on  
 16 them and so on. Yes.

17 HEARING OFFICER HELTZER: There's no -- is the name of  
 18 the school on any of these uniforms or --

19 THE WITNESS: No.

20 HEARING OFFICER HELTZER: Can you describe them, I  
 21 guess, a little more specifically?

22 THE WITNESS: You know, the girls' skirt is a plaid  
 23 skirt. The blouse is a white blouse, and they wear a vest or  
 24 a top that's the same color. And I'm color-blind, so I don't  
 25 know the color. Boys, just gray pants and white shirts.

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1 HEARING OFFICER HELTZER: Okay, okay.

2 THE WITNESS: Yes.

3 HEARING OFFICER HELTZER: Good.

4 Q. BY MR. FARRELL: I'd like to hand you another exhibit.

5 MR. FARRELL: I'm sorry. If I haven't done so, I'd like  
 6 to move that exhibit into evidence as well. I'm sorry. That  
 7 one was in.

8 HEARING OFFICER HELTZER: Yes.

9 MR. FARRELL: This is Exhibit 33. I believe you  
 10 inquired about the contract.

11 HEARING OFFICER HELTZER: I did.  
 12 (Employer's Exhibit 33 marked for identification.)

13 Q. BY MR. FARRELL: Dr. Schultz, could you identify the  
 14 document for me?

15 A. It's an employment contract for the Islamic Academy that  
 16 we use for employees.

17 Q. And this is used for what positions?

18 A. All positions.

19 Q. Okay. So, teachers and others?

20 A. Yes, including mine.

21 Q. And are -- does the contract require the teachers to  
 22 adhere to the employee handbook?

23 HEARING OFFICER HELTZER: Well, I mean does the contract  
 24 speak to that?

25 MR. FARRELL: It does.

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1 THE WITNESS: It does.

2 HEARING OFFICER HELTZER: Well, then the contract speaks  
 3 for itself.

4 MR. FARRELL: Do you want me to skip over that?  
 5 That's --

6 HEARING OFFICER HELTZER: Well, I mean if you'd like to  
 7 ask him -- I mean you don't have to ask him about what the  
 8 contract says, but if you want to ask how it's practiced,  
 9 that's a separate issue.

10 MR. FARRELL: Well, I wanted to lay the predicate for  
 11 it. That's all.

12 Q. BY MR. FARRELL: If you refer to section Roman I --

13 A. Section I, yes.

14 Q. -- where it refers to the employee handbook and/or  
 15 operations manual --

16 A. Right.

17 Q. -- do you, in fact, in practice expect and require  
 18 employees to comply with the employee manual and operations  
 19 manual?

20 A. Absolutely.

21 Q. And can you give me some examples of how that occurs?

22 A. Working hours, applying leaves, what sort of leaves  
 23 they're granted. That's the most common use of it. These  
 24 are defined here in the manual. You know, there are illness  
 25 leaves, extended leaves, FMLA leaves and so on. They are

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1 explained in detail as an example.

2 HEARING OFFICER HELTZER: FMLA leave?

3 THE WITNESS: Family Medical Leave.

4 HEARING OFFICER HELTZER: Okay.

5 THE WITNESS: Yeah.

6 HEARING OFFICER HELTZER: And so the school --

7 THE WITNESS: We honor them.

8 HEARING OFFICER HELTZER: Okay.

9 THE WITNESS: Yes.

10 HEARING OFFICER HELTZER: FMLA?

11 THE WITNESS: Yes.

12 HEARING OFFICER HELTZER: Okay. Go ahead.

13 Q. BY MR. FARRELL: Are there ways regarding Islamic  
 14 practice or Islamic requirements that you expect compliance  
 15 from the teachers and the other employees?

16 A. Other than those we've already talked about?

17 Q. Okay. If there's nothing else that comes to mind,  
 18 that's fine.

19 A. I don't think that I -- not that I can think of right  
 20 now.

21 Q. Okay.

22 COURT REPORTER: One at a time everybody. Got a lot of  
 23 overlap.

24 MR. FARRELL: Sorry about that.

25 THE WITNESS: Sorry.

40 (Pages 157 to 160)

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1 From the outside it may look like a grocery store. Some of  
2 them look like mosques; many of them do not look like  
3 mosques. And I do not go into them. I've been in one last  
4 week for a funeral, but I do not go into mosques, so I don't  
5 know what they look like inside. When -- you know, the two  
6 principals, because the principals are Muslims, they can  
7 answer that question, the definition of what the room is  
8 called technically.

9 Q. You also testified about an employment contract. This  
10 is Employer's Exhibit 33. Is this the current employment  
11 contract that the school uses?

12 A. Actually, this is a contract from last year. Some of  
13 the words were changed by our HR or legal representatives,  
14 and so there may be slightly different words, but it was just  
15 to clarify some wording. These are the ones that --

16 Q. Do you know what wording was changed?

17 A. These are the ones that are -- this is what is in effect  
18 right now. Okay? I think the -- you asked me what was  
19 changed. What may have been changed, but I don't recall the  
20 exact words, was the bottom of the first page. The contract  
21 -- they recommended that we be sure to clarify. That's  
22 the --

23 MR. FARRELL: I'm just going to object. We're getting  
24 into attorney-client communications.

25 HEARING OFFICER HELTZER: Okay. Yeah.

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1 MR. FARRELL: -- at this point. Also, on relevance,  
2 that we're talking about a contract that hasn't been used at  
3 this point in time.

4 HEARING OFFICER HELTZER: Well --

5 MR. FARRELL: I believe the witness testified that this  
6 is the contract in effect this year, and the new contract is  
7 for the future.

8 THE WITNESS: Yes.

9 HEARING OFFICER HELTZER: That is true.

10 THE WITNESS: And you can notice by my signature on the  
11 last page -- that was on 5/6/11 -- this was for a temporary  
12 person. So it is not the current contract. It's the one  
13 that is currently, but not the newest one. Correct.

14 HEARING OFFICER HELTZER: I'm going to allow the  
15 question.

16 MR. FARRELL: Pardon?

17 HEARING OFFICER HELTZER: I'm going to allow the  
18 question.

19 Go ahead, Mr. Plessner.

20 MR. FARRELL: Could I just clarify? What I'm concerned  
21 about is the witness testifying about legal advice, not about  
22 the contract, but the question was --

23 HEARING OFFICER HELTZER: Okay, right. If the  
24 question -- and maybe I'm incorrect. My understanding of the  
25 question pending is what is the difference between the prior

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1 contracts and this current contract. These are employment  
2 contracts that exist between the Saudi Academy and employees,  
3 that employees sign potentially and that the -- that I know  
4 that Dr. Schultz signs.

5 Dr. Schultz, did you sign contracts that pre-dated this  
6 contract, the other contract about which Mr. Plessner is  
7 asking you?

8 THE WITNESS: I signed -- yes, I've signed contracts for  
9 when I took this position.

10 HEARING OFFICER HELTZER: So if he signed the contract,  
11 I don't see that as -- and whether he saw the prior contracts  
12 and saw what was in them, contracts that are shown to  
13 employees that employees see, what exists in those prior  
14 contracts and what exists in these is not a matter of  
15 attorney-client.

16 MR. FARRELL: I think the --

17 HEARING OFFICER HELTZER: He doesn't need to answer any  
18 questions about legal advice that he received.

19 MR. FARRELL: I understand. The confusion is this:  
20 what he testified to was, "This is the current contract."  
21 When he talked about the other contract, that is a contract  
22 that has not been put into use yet, and he was testifying  
23 about legal counsel advising on making changes to it. That's  
24 what I was objecting to.

25 HEARING OFFICER HELTZER: Okay.

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1 MR. FARRELL: But as to contracts he's signed, I have no  
2 objection.

3 HEARING OFFICER HELTZER: Why don't you rephrase the  
4 question, Mr. Plessner.

5 MR. PLESSNER: Sure.

6 Q. BY MR. PLESSNER: Without talking about any future  
7 contracts, can you tell me what was changed in this contract  
8 from prior contracts? Does that question make sense to you?

9 A. It does.

10 Q. Okay.

11 A. This contract had been in effect for probably two or  
12 three years without changes. It's the next year's contract  
13 that is being clarified.

14 Q. So, for example, on the last page, page 4 of 4, the  
15 sentence in the third paragraph, it says, "This Agreement  
16 will be construed and interpreted in accordance with the laws  
17 of the Commonwealth of Virginia." That was in the prior  
18 contracts as well?

19 A. Yes.

20 MR. PLESSNER: I have no further questions.

21 HEARING OFFICER HELTZER: And you testified before -- I  
22 thought you testified this has been in effect for this school  
23 year; is that correct?

24 THE WITNESS: Yes, yes.

25 HEARING OFFICER HELTZER: And how about the prior school

# **EXHIBIT C**

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1 A. Until 2002.  
 2 Q. What was your position in 2002 after you were an  
 3 accountant?  
 4 A. I was finance manager at that time.  
 5 Q. Is that the position you hold today?  
 6 A. Right.  
 7 Q. What is your educational history?  
 8 A. I'm a native of Egypt. I got my bachelor degree in  
 9 business administration from Cairo University.  
 10 Q. What year?  
 11 A. 1987 -- I came to the United States -- 1978. I came  
 12 1979, I attended Howard University for M.A., I receive MA in  
 13 1984 in public policy on involvement, and I joined the same  
 14 year Islamic Saudi Academy. Then is started on my Ph.D.  
 15 studies at Howard University also in human communication. I  
 16 received my Ph.D. in 1992 in organizational communication.  
 17 Q. Just so the record's clear, what was the year that you  
 18 went to Cairo University?  
 19 A. 1978.  
 20 Q. And you came to the United States in 1984?  
 21 A. 1979.  
 22 Q. 1979. Thank you.  
 23 A. Yes.  
 24 Q. What does the finance manager do for the Islamic Saudi  
 25 Academy?

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1 A. The finance manager oversees the operation of finance  
 2 starting from tuition collection, accounts payable,  
 3 salaries, general ledger, petty cash, other regular  
 4 collection from cafeteria and other sources.  
 5 Q. Anything else?  
 6 A. I also do work as a liaison for the Director General,  
 7 things like business manager and most of the time before the  
 8 last position of Dr. Ron Schultz, he was hired as chief of  
 9 staff and now he's Acting Director General. So I'm filling  
 10 kind of administrative work for him also.  
 11 Q. Is there anything else you do?  
 12 A. I do attend administrative meeting. I do communicate  
 13 with a lot of law offices on several Academy affairs and the  
 14 negotiation of contracts for ISA, I'm involved with that,  
 15 too, especially in insurance and other lease with Fairfax  
 16 County and other contracts.  
 17 Q. Is there anything else? Just list everything you do.  
 18 A. I do work also with admission closely, with HR closely.  
 19 I work with boys' school and girls' school offices. I see a  
 20 lot of teacher every month for their salaries, especially  
 21 right now. We do direct deposit, but still they have to  
 22 sign documentation for receiving their salaries. So I meet  
 23 mostly all of them.  
 24 Q. In your position as finance manager, do you know who  
 25 owns the building where ISA is located?

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1 A. Fairfax County.  
 2 Q. Does the school pay rent?  
 3 A. Yes, sir.  
 4 Q. How much does it pay?  
 5 A. About \$2,600,000.  
 6 Q. Is that per year?  
 7 A. A year.  
 8 HEARING OFFICER HELTZER: And to whom do they pay it  
 9 just so the record's clear?  
 10 THE WITNESS: We pay to Fairfax County, all of that from  
 11 the funds of ISA.  
 12 HEARING OFFICER HELTZER: Go ahead, Mr. Plessner.  
 13 Q. BY MR. PLESSNER: How long has ISA been paying rent to  
 14 Fairfax County for the building?  
 15 A. It's almost 20 years now.  
 16 COURT REPORTER: Twenty.  
 17 THE WITNESS: Twenty years, yes.  
 18 Q. BY MR. PLESSNER: Where does the funding for the school  
 19 come from?  
 20 A. Eighty percent coming from the Ministry of Foreign  
 21 Affairs from Saudi Arabia through the Ministry of Finance  
 22 directly to our accounts with HSBC Bank and 20 percent  
 23 collection of tuition, transportation fees, and lunch fees  
 24 collected from students of ISA.  
 25 HEARING OFFICER HELTZER: Could you break those down,

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1 too, please?  
 2 THE WITNESS: Yeah, we have tuition collection from non-  
 3 salaried. We have transportation and lunch fees collected  
 4 from all students.  
 5 HEARING OFFICER HELTZER: And can you give the overall  
 6 percentage of the funding of the school for each of those  
 7 categories?  
 8 THE WITNESS: It's about 12 million coming from Saudi  
 9 Arabia and about \$3 million or less, a little bit less from  
 10 the collection of tuition, transportation fees, as well as  
 11 lunch fees.  
 12 Q. BY MR. PLESSNER: Are you able to break it down any  
 13 further when it comes to transportation and tuition?  
 14 A. Transportation will come to 500,000, I mean 500,000 per  
 15 year, and the lunch about 70,000 per year, and the rest is  
 16 tuition is 2 million plus.  
 17 HEARING OFFICER HELTZER: Who operates -- does ISA  
 18 operate its own transportation department or is that  
 19 contracted out?  
 20 THE WITNESS: No, it's own transportation department.  
 21 HEARING OFFICER HELTZER: And how about the cafeteria  
 22 services? That's provided by ISA?  
 23 THE WITNESS: We used to contract with Fairfax County.  
 24 HEARING OFFICER HELTZER: Actually, I'm just looking for  
 25 right now.

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1 THE WITNESS: Yeah.  
 2 HEARING OFFICER HELTZER: Okay. And how long has it  
 3 been the case that ISA has been running its own cafeteria?  
 4 THE WITNESS: It's like three years now.  
 5 HEARING OFFICER HELTZER: Okay. Go ahead, Mr. Plessner.  
 6 Q. BY MR. PLESSNER: Who pays tuition?  
 7 A. Non-salary students and non-diplomat salaried, I mean  
 8 the non-salaried diplomats like embassy's children of like  
 9 Dubai, UAE, Qatar, other embassies that send their children  
 10 to ISA, they pay for tuition -- tuition actually.  
 11 Q. Do any United States citizens pay tuition?  
 12 A. Yes, there is one, African-American students who are  
 13 native of the United States, they pay regular tuition.  
 14 Q. About how many United States citizens pay tuition?  
 15 A. I don't know exact number of students.  
 16 Q. Can you give an estimate?  
 17 A. Yeah --  
 18 Q. If you know.  
 19 A. -- I believe Saudi students about almost 300 students.  
 20 There is 300 plus non-salaried, they pay tuition.  
 21 Q. How about United States citizen students if you know?  
 22 A. They are, they are -- the majority are actually  
 23 United States citizens.  
 24 Q. Where does the money come from that pays for salaries of  
 25 teachers?

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1 A. Actually our tuition collection and the fees from the  
 2 students, part of our budget. So the budget from Saudi  
 3 Arabia, along with tuition collection, makes the total  
 4 budget of ISA. So it's mixed up. I can't say salary from  
 5 here or from there. It's all one budget together comes at  
 6 the end.  
 7 Q. You mentioned tuition, funding and also funding from the  
 8 Ministry. Is there any other funding for the school?  
 9 A. No.  
 10 Q. Does ISA receive any donations?  
 11 A. No.  
 12 Q. Do you know if the school pays property taxes to  
 13 Virginia?  
 14 A. We don't pay property taxes for the facilities because  
 15 it belongs to Saudi Arabian Embassy and I, because according  
 16 to Geneva Convention, Saudi Arabian Embassy do not pay  
 17 property taxes to host country.  
 18 Q. Does ISA own any property?  
 19 A. No.  
 20 Q. How many buildings does ISA run on?  
 21 A. Two building, one in Pope's Head Road, 11121 Pope's Head  
 22 Road, Fairfax, Virginia.  
 23 Q. Can you spell Pope's Head please?  
 24 A. P-o-p-e's, Head Road, Fairfax, Virginia, and the second  
 25 one is 8333 Richmond Highway, Alexandria, Virginia. This is

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1 a leased building from the county.  
 2 Q. Do you know if ISA pays any taxes to Saudi Arabia?  
 3 A. I'm sorry.  
 4 Q. Does the Academy pay any taxes to Saudi Arabia?  
 5 A. They only pay taxes for -- they file taxes only for IRS  
 6 for something called refund of sales tax for transportation,  
 7 when we use gas or any fuel for transportation, we file once  
 8 a year to IRS to get refunded from the sales tax, the  
 9 auxiliary sales tax of the gas and the diesel we buy from  
 10 the stations because the diesel and the gasoline are -- the  
 11 taxes are built in and we have to file every year to refund  
 12 of these taxes from IRS. It's the only filing we do.  
 13 HEARING OFFICER HELTZER: And does ISA, in fact, get it  
 14 refunded?  
 15 THE WITNESS: Yes.  
 16 HEARING OFFICER HELTZER: Okay. And who -- where's that  
 17 check from?  
 18 THE WITNESS: The check comes from IRS. It depends how  
 19 much is consumed every year. It could be 10,000, 15,000,  
 20 20,000 according to how we consume the year and how the  
 21 price was in that year.  
 22 HEARING OFFICER HELTZER: You mentioned insurance, the  
 23 school pays for insurance?  
 24 THE WITNESS: Yes.  
 25 HEARING OFFICER HELTZER: What kind of insurance and who

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1 are the providers?  
 2 THE WITNESS: We have two different insurance. We have  
 3 health insurance. The school pays 75 percent of the  
 4 insurance. The employee pays 25 percent deducted from their  
 5 salary every month. And we have commercial insurance like  
 6 transportation insurance which is for vehicle and buses. We  
 7 have liability insurance. We have workers' compensation  
 8 insurance, and this is paid to Travelers, this liability  
 9 insurance for Travelers, and the health insurance paid for  
 10 Care First, Blue Cross Blue Shield, and MetLife.  
 11 HEARING OFFICER HELTZER: And how much do you -- is the  
 12 bill for Travelers Insurance?  
 13 THE WITNESS: Travelers is like 186,000 a year including  
 14 liability for the building, including the fire and  
 15 prevention, including workers' compensation, including --  
 16 insurance and including employees' insurance, workers'  
 17 compensation insurance.  
 18 HEARING OFFICER HELTZER: And do you pay that bill by  
 19 check?  
 20 THE WITNESS: Yes, we do.  
 21 HEARING OFFICER HELTZER: And where do you send the  
 22 check if you know?  
 23 THE WITNESS: We send it out of state. I don't exactly  
 24 remember the address.  
 25 HEARING OFFICER HELTZER: But it's somewhere outside of



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1 the state of Virginia?

2 THE WITNESS: Yeah, it's not in Virginia.

3 HEARING OFFICER HELTZER: And is it somewhere in the

4 United States of America?

5 THE WITNESS: Yes, yes.

6 HEARING OFFICER HELTZER: Okay. Go ahead.

7 Q. BY MR. PLESSNER: Is ISA incorporated?

8 A. Current ISA was not incorporated, but in 2008, we were

9 incorporated ISA and we incorporated with State of Virginia

10 under the name ISAW, Islamic Saudi Academy of Washington,

11 but it never took place. It never transferred.

12 HEARING OFFICER HELTZER: What do you mean it was never

13 transferred?

14 THE WITNESS: We incorporated to prepare the school for

15 501(c)(3).

16 HEARING OFFICER HELTZER: When was this?

17 THE WITNESS: That was 2008, 2009, and we prepared the

18 school for transition, but it never took place after we

19 prepared the by-laws and prepared the application for IRS

20 and State of Virginia, and already got the license for these

21 things.

22 HEARING OFFICER HELTZER: Were you involved in that

23 process?

24 THE WITNESS: Yes, I was. I was liaison with the

25 Academy and the law firm that were performing these kinds of

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1 duties for transferring issue.

2 HEARING OFFICER HELTZER: But ultimate -- but I mean

3 were papers submitted to the -- I mean first of all, why

4 don't you just describe the process that you were involved

5 in with this.

6 THE WITNESS: Actually, it was after -- IRS came to

7 visit ISA October 2007, January 2007, and there was a lot of

8 media going on around the school especially from Congress

9 and about curriculum and all these things, and the Embassy

10 got kind of annoyed from the media, even they talk about

11 Saudi Arabia, they talk about the Embassy, they talk about

12 ISA.

13 HEARING OFFICER HELTZER: Well, sir, if you could just

14 limit it to what happened in the process that you were

15 involved in please.

16 THE WITNESS: Yeah, I'm involved with the Director

17 General. His name, Abdulrahman Al-Ghofaili at that time,

18 was Director General of the school before Dr. Ronald Schultz

19 took place. He asked me to follow the process for

20 incorporation along with a law firm. Do I have to mention

21 the name?

22 HEARING OFFICER HELTZER: No, you don't.

23 THE WITNESS: Okay. I was in touch with them --

24 HEARING OFFICER HELTZER: Please don't describe what --

25 any conversations or instructions you had from attorneys,

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1 that's okay. You can just describe really other aspects of

2 your role in the process and --

3 THE WITNESS: Yeah.

4 HEARING OFFICER HELTZER: -- specifically what documents

5 if any were created and what happened to them if anything.

6 THE WITNESS: They prepared the application for the

7 incorporation in Virginia. I went to the director of

8 American Bank, Bank of America, and we have notarized

9 application. After he sign in front of the officer in the

10 Bank, and we send it -- I sent it along with other paper to

11 the State of Virginia and we received the Certificate of

12 Incorporation, about 2009, March 2009.

13 HEARING OFFICER HELTZER: And to what entity did you

14 send these documents and what entity sent you back this?

15 THE WITNESS: To Commonwealth of Virginia, the initial

16 one, and we received back the recommendation certified,

17 certification of the state and we also received the

18 certification for IRS after we filed the form online, and I

19 believe was also Maryland and D.C. because at that time we

20 have employees from Maryland and D.C. and Virginia. So we

21 have to comply with all this tax agent in these states.

22 HEARING OFFICER HELTZER: And do you remember what

23 certification specifically, what certificates you received

24 or what they were for?

25 THE WITNESS: Yes, we received that we are incorporated

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1 as ISA of Washington, and actually in that year, 2009,

2 contract, employment contract, we have written in the

3 contract, in the last part of the contract that if in the

4 process ISA transformed into ISAW or ISA of Washington, this

5 contract will be binding for all the employees and every

6 employee had the same statement in their contract.

7 HEARING OFFICER HELTZER: Okay. But you also said --

8 before you mentioned that this never was completed, this

9 process was never completed.

10 THE WITNESS: It didn't transform.

11 HEARING OFFICER HELTZER: Can you describe what you mean

12 by that please?

13 THE WITNESS: We prepared everything for 501(c)(3) and

14 that law firm was working on the application with IRS for

15 (c)(3), non-profit organization, and it didn't go through.

16 After we prepared everything and even the employees were

17 ready for that new organization because they were saying

18 they were going to transfer the assets of current ISA to ISA

19 of Washington, and it wasn't changed. So we mentioned that

20 in the contract of the employee, and it never transferred at

21 that -- until the -- started in September and went until

22 December and nothing had happened. I don't know what

23 happened. I can't really --

24 HEARING OFFICER HELTZER: Okay.

25 THE WITNESS: -- talk about that.

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1 HEARING OFFICER HELTZER: And were assets every  
2 transferred from ISA to ISA of Washington?  
3 THE WITNESS: The firm, the law firm --  
4 HEARING OFFICER HELTZER: I mean just --  
5 THE WITNESS: No.  
6 HEARING OFFICER HELTZER: Okay. Thank you. Go ahead.  
7 (Petitioner's Exhibit 1 marked for identification.)  
8 Q. BY MR. PLESSNER: I'm going to show you what's been  
9 marked as Petitioner's Exhibit 1. Have you seen this  
10 document before?  
11 A. Yes.  
12 MR. FARRELL: Before we go any further, I'm going to  
13 object on relevance grounds. This is a certificate of an  
14 entity that is not operating the school per the witness'  
15 testimony.  
16 MR. PLESSNER: This school itself incorporated and then  
17 planned on using -- I assume planned on using the corporate  
18 name for the school, put this name in employment contracts  
19 and this corporation still exists today. It's a public  
20 record.  
21 MR. FARRELL: There is -- the only testimony on this  
22 point to date is that there is a corporation with no  
23 operations and that has never operated the ISA. This is  
24 totally irrelevant to the matter. This is not the employer  
25 of the teachers. It's not the entity operating the school.

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1 MR. PLESSNER: I believe this document is relevant to  
2 the extent that the Employer is trying to show that ISA  
3 doesn't comply with laws in the United States since they're  
4 only subject to Saudi Arabian law.  
5 HEARING OFFICER HELTZER: But, sir, you testified a  
6 little bit about having received certificates.  
7 THE WITNESS: Yes.  
8 HEARING OFFICER HELTZER: Do you remember testifying  
9 about that?  
10 THE WITNESS: Yes.  
11 HEARING OFFICER HELTZER: Why don't you just take a look  
12 for a moment at Petitioner's Exhibit 1. Have you seen this  
13 particular document before?  
14 THE WITNESS: Yes.  
15 HEARING OFFICER HELTZER: What is it?  
16 THE WITNESS: It's incorporation of ISAW in State of  
17 Virginia.  
18 HEARING OFFICER HELTZER: And was this something that  
19 you received as part of the process you described earlier?  
20 THE WITNESS: Yes.  
21 HEARING OFFICER HELTZER: What, if anything, I mean do  
22 you know where this document is kept?  
23 THE WITNESS: It's kept in my office.  
24 HEARING OFFICER HELTZER: Where in your office?  
25 THE WITNESS: I have file for the incorporation, for the

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1 incorporation. Of course, I was the kind of liaison between  
2 the law firm and the school and I went, in the process, with  
3 the Director General, previous Director General to finalize  
4 this process, and I'm the one filed for the IRS and Maryland  
5 and D.C.  
6 HEARING OFFICER HELTZER: And this is also the process  
7 that you described before, that it was never actually  
8 completed?  
9 THE WITNESS: No.  
10 HEARING OFFICER HELTZER: So this certificate, it says  
11 what it says but you're saying that as far as you know, this  
12 Islamic Saudi Academy of Washington, that entity was never  
13 actually created. Is that correct?  
14 THE WITNESS: No, it was created, but the transfer was  
15 not done.  
16 HEARING OFFICER HELTZER: The transfer of assets?  
17 THE WITNESS: Yes, because this ISA of Washington  
18 dissolved after one year if you don't renew the application.  
19 HEARING OFFICER HELTZER: And was that application ever  
20 renewed?  
21 THE WITNESS: No, because the transfer was not  
22 happening.  
23 HEARING OFFICER HELTZER: How about this letter, the  
24 second page of Petitioner's 1, are you familiar with that  
25 document?

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1 THE WITNESS: This is a receipt of --  
2 HEARING OFFICER HELTZER: So you've seen this before,  
3 this document?  
4 THE WITNESS: Yes.  
5 HEARING OFFICER HELTZER: Where have you seen it?  
6 THE WITNESS: Because that's what -- I'm the one comply  
7 with the process of incorporation, and we send a check for  
8 \$75 in the process.  
9 HEARING OFFICER HELTZER: Do you currently have a copy  
10 of this letter?  
11 THE WITNESS: Yes.  
12 HEARING OFFICER HELTZER: And where do you keep that  
13 copy?  
14 THE WITNESS: That's in my office.  
15 HEARING OFFICER HELTZER: Where in your office?  
16 THE WITNESS: It's in the file.  
17 HEARING OFFICER HELTZER: The file related to the --  
18 THE WITNESS: To the ISA of Washington and, of course, I  
19 have other documents to that company, by-laws and other  
20 things.  
21 HEARING OFFICER HELTZER: Did you want to state your  
22 objection for the record?  
23 MR. FARRELL: Yeah, my objection is that this document  
24 is wholly irrelevant. It is the certification or  
25 certificate of a defunct corporation that never conducted

35 (Pages 785 to 788)

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1 the operations of the Islamic Saudi Academy and never  
2 employed the employees in question in this matter.

3 HEARING OFFICER HELTZER: Okay. Then I'm going to admit  
4 this document over your objection, and it will be admitted  
5 for whatever it's worth. I mean the witness has, in fact,  
6 testified that this corporation, that assets weren't  
7 transferred and this corporation never -- so I'll allow it  
8 for what it's worth. The witness clearly has a business  
9 record in the style that you are offering other documents.  
10 This is at least that, and then certainly this witness has  
11 seen it, keeps it, is aware of it, testified about the  
12 process that resulted in receiving it, was involved in that.  
13 I'm going to receive this document, Petitioner's Exhibit 1.

14 MR. FARRELL: I would like to address one other thing,  
15 the characterization or argument that somehow the Academy  
16 never applies -- complies with any U.S. law is --

17 MR. PLESSNER: I withdraw that statement. That was  
18 something that I said. So it's not evidence.

19 HEARING OFFICER HELTZER: Did I state that?

20 MR. FARRELL: No.

21 MR. PLESSNER: I mischaracterized it.

22 HEARING OFFICER HELTZER: Okay. Okay.

23 MR. FARRELL: I just want to be clear that our position  
24 is not that we refuse to comply with all U.S. law. It's  
25 just that they're not obligated to comply with the law in

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1 executed the contract, health insurance contract. There is  
2 liability contract, workers' compensation contract, buses  
3 contract, insurance, and pest control contract.

4 HEARING OFFICER HELTZER: Who's the pest control  
5 contract with?

6 THE WITNESS: I don't remember the name.

7 HEARING OFFICER HELTZER: Do you know the amount of that  
8 contract that the school pays per year?

9 THE WITNESS: It's like 155 per month.

10 HEARING OFFICER HELTZER: \$155 per month?

11 THE WITNESS: Yes.

12 HEARING OFFICER HELTZER: Do you know if the pest  
13 control company is in the Commonwealth of Virginia?

14 THE WITNESS: It's in Virginia.

15 HEARING OFFICER HELTZER: Okay.

16 Q. BY MR. PLESSNER: Are there any others you can think of?

17 A. There is copying, maintenance copying contract. There  
18 is a lease for stamp machine contract. There is a parking  
19 contract. There is bus garage for bus repair garage  
20 contract.

21 Q. Any others?

22 A. There might but I'm not really remembering some of them.

23 Q. How much is the trash disposal contract for if you know?

24 A. It's like 5,000 per month for both campuses, Fairfax  
25 and --

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1 this case.

2 HEARING OFFICER HELTZER: Okay. And you withdraw that?

3 MR. PLESSNER: I withdraw that statement.

4 HEARING OFFICER HELTZER: Thank you, Mr. Plessner.  
5 Okay. Petitioner's 1 is received.

6 Q. BY MR. PLESSNER: Is this an accurate copy of the  
7 certificate of incorporation of the Islamic Saudi Academy?

8 A. Of Washington.

9 Q. Is it an accurate copy?

10 A. Yes.

11 Q. Yes.

12 MR. PLESSNER: I move for the admission of Petitioner's  
13 Exhibit 1.

14 HEARING OFFICER HELTZER: It's received.

15 MR. FARRELL: Same objection.

16 HEARING OFFICER HELTZER: It's received over your  
17 objection, sir.

18 (Petitioner's Exhibit 1 received in evidence.)

19 Q. BY MR. PLESSNER: What contracts does ISA have with  
20 companies who provide services to ISA, if any?

21 A. There is cleaning contract, custodial cleaning contract  
22 that are based in Maryland and we pay -- do you want how  
23 much we pay of the contract.

24 Q. We'll get to that. Just list any contracts.

25 A. Okay. There is the disposal contract for the trash. We

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1 Q. And what state?

2 A. That's Virginia. It's AAA Recycling Company.

3 Q. How much is the security contract for?

4 A. 400,000 a year. It's for alarm, alarm security company.

5 Q. Do you know --

6 A. It's in Virginia.

7 Q. How much is the custodial cleaning contract?

8 A. 16,500 a month for Richmond Highway and 3500 a month for  
9 Pope's Head Road.

10 Q. What state is that cleaning custodial contract in?

11 A. In Maryland called CleanNet. Company, CleanNet.

12 Q. How much is the bus contract for?

13 A. The garage, the rent is 80,000 a year.

14 Q. Which one are you talking about?

15 A. The bus garage, the bus repair garage.

16 Q. And --

17 A. It's separate location from Academy. It's in Newington,  
18 Newington area of -- it's like couple of miles to school.

19 HEARING OFFICER HELTZER: It's in Virginia, right?

20 THE WITNESS: It's in Virginia.

21 Q. BY MR. PLESSNER: How about the bus contract?

22 A. No, we don't have bus contract. We have something  
23 called -- to the bus garage like uniform contract I think,  
24 but it's not really that much.

25 Q. How much is the uniform contract for?

36 (Pages 789 to 792)

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1 A. I would say like \$75 per week.  
 2 HEARING OFFICER HELTZER: What uniforms?  
 3 THE WITNESS: The mechanic has to wear uniform and there  
 4 is a towel that he clean with, the bus and things. So they  
 5 have to wash this all together, things like that.  
 6 Q. BY MR. PLESSNER: How much is the maintenance copy  
 7 contract for?  
 8 A. I would say average 5,000 a month. It depends how much  
 9 you use of the paper because the maintenance is based on the  
 10 copy and how much -- different from one month to another,  
 11 but I would say 5,000.  
 12 Q. What state --  
 13 HEARING OFFICER HELTZER: And, sir, if you could --  
 14 THE WITNESS: Speak up.  
 15 HEARING OFFICER HELTZER: I guess I should direct myself  
 16 to speak up. So --  
 17 THE WITNESS: Okay.  
 18 HEARING OFFICER HELTZER: -- sorry about that.  
 19 THE WITNESS: Okay.  
 20 HEARING OFFICER HELTZER: Go ahead.  
 21 Q. BY MR. PLESSNER: What state is the copy maintenance  
 22 contract in?  
 23 A. That's Virginia.  
 24 Q. How much is the lease for a stamp machine contract?  
 25 A. I would say 15,000 a year.

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1 Q. And what state?  
 2 A. I don't remember the state, but it is out of Virginia.  
 3 Q. How much is the parking contract for?  
 4 A. 3500 a month which for 10 months, so 35,000 a year.  
 5 Q. What state?  
 6 A. The gentleman who owns the parking, he lives in  
 7 Maryland, but the ground around the restaurant, the parking  
 8 lot, it's in Virginia beside the school.  
 9 Q. Do you know what the name of the restaurant is?  
 10 A. I don't remember. They change it so many times. So I  
 11 don't remember, but I know the owner's name, Hong Le.  
 12 Q. Do you know what bank the Islamic Saudi Academy pays its  
 13 employees from?  
 14 A. Right now we are with HSBC of Washington.  
 15 Q. Where's that bank located?  
 16 A. Located Connecticut Avenue in Washington, D.C.  
 17 Q. Out of the people who you testified earlier that -- ISA  
 18 employees who are not United States citizens, do you know if  
 19 these employees have working visas?  
 20 A. Well, actually we have --  
 21 MR. FARRELL: I'm going to object on relevance.  
 22 HEARING OFFICER HELTZER: What are you looking for in  
 23 this information?  
 24 MR. PLESSNER: The relevance is that certain employees  
 25 have -- might have certain kinds of visas and other ones

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1 don't, and the school has to comply and make sure that each  
 2 different employee has a specific kind of visa to work at  
 3 the school.  
 4 MR. FARRELL: Same objection. There's no relevance to  
 5 the case.  
 6 HEARING OFFICER HELTZER: Well, I'm not exactly sure  
 7 yet. I mean why don't you explain again. That doesn't  
 8 seem -- without more, it doesn't really seem relevant.  
 9 MR. PLESSNER: I --  
 10 HEARING OFFICER HELTZER: Go ahead.  
 11 MR. PLESSNER: Is it okay to explain more?  
 12 HEARING OFFICER HELTZER: Yes, please.  
 13 MR. PLESSNER: My understanding is that at some point,  
 14 the school realized that certain employees didn't have the  
 15 proper visas to work in the United States, and so they  
 16 directed these people to get United States specific working  
 17 visas in order to work at the Islamic Saudi Academy, and the  
 18 relevance is that it's just the compliance and use of the  
 19 United States law within the school so that it's not solely  
 20 using Saudi Arabian law.  
 21 MR. FARRELL: Again, the same objection. The fact that  
 22 people have to get visas to come to the country to work --  
 23 HEARING OFFICER HELTZER: I mean anyone working at this  
 24 school is in the country and --  
 25 MR. PLESSNER: Specifically they were --

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1 MR. FARRELL: I mean we'll stipulate that we try to have  
 2 people get the proper visas to come to the U.S.  
 3 HEARING OFFICER HELTZER: Right. Yeah, I don't think  
 4 that's really in dispute. So why don't you move on.  
 5 MR. PLESSNER: Okay.  
 6 Q. BY MR. PLESSNER: Are you familiar with Vice Principal  
 7 Tenery?  
 8 A. George Tenery.  
 9 Q. Is he a Muslim?  
 10 A. No.  
 11 MR. PLESSNER: I have no further question.  
 12 MR. FARRELL: Can we have a few minutes --  
 13 HEARING OFFICER HELTZER: How many --  
 14 MR. FARRELL: -- in hopes of shortening everything?  
 15 HEARING OFFICER HELTZER: How many minutes would you  
 16 like, sir?  
 17 MR. FARRELL: About five minutes.  
 18 HEARING OFFICER HELTZER: Okay. Sure. How about I give  
 19 you 10? Let's get back at 2:00.  
 20 MR. FARRELL: Okay. Thank you.  
 21 HEARING OFFICER HELTZER: Off the record.  
 22 (Off the record from 1:50 p.m. to 2:00 p.m.)  
 23 CROSS-EXAMINATION  
 24 Q. BY MR. FARRELL: Good afternoon, Doctor.  
 25 A. Good afternoon.

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1 Q. I just have a few questions for you.  
 2 A. Sure.  
 3 Q. You testified before that that process of incorporation  
 4 was never completed. Is that correct?  
 5 A. No, the process has completed, but the transfer was not  
 6 completed.  
 7 Q. The transfer, and by that you mean the transfer of the  
 8 school's operations into the corporation?  
 9 A. From ISA to ISAW.  
 10 Q. So ISAW never operated the school. Is that correct?  
 11 A. No.  
 12 Q. Okay. We're getting into double negative.  
 13 HEARING OFFICER HELTZER: Yeah.  
 14 MR. FARRELL: Let me make sure it's clear on the record.  
 15 HEARING OFFICER HELTZER: Thank you.  
 16 Q. BY MR. FARRELL: Did ISAW ever operate the Islamic Saudi  
 17 Academy?  
 18 A. No.  
 19 Q. Okay. You also testified a little bit about the  
 20 school's finances. Is it correct that in your time there,  
 21 ISA has never made a profit?  
 22 A. No.  
 23 Q. I'm afraid we're getting to the same place with the  
 24 double negative. The ISA has never made a profit. Is that  
 25 correct?

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1 A. Profit?  
 2 Q. Yes.  
 3 A. No, we didn't.  
 4 Q. Okay. The revenue that comes to the school, you  
 5 identified four sources. One was the government of Saudi  
 6 Arabia.  
 7 A. Yes.  
 8 Q. The other was tuition?  
 9 A. Yes.  
 10 Q. The third was the lunch program?  
 11 A. Yes.  
 12 Q. And the fourth was the transportation program?  
 13 A. Correct.  
 14 Q. That money is used to operate the school, correct?  
 15 A. Yes.  
 16 Q. And that's all it's used for, correct?  
 17 A. Yes.  
 18 Q. Thank you.  
 19 MR. FARRELL: Nothing further.  
 20 HEARING OFFICER HELTZER: Okay. And I'd like to ask you  
 21 a couple of questions.  
 22 THE WITNESS: Sure.  
 23 HEARING OFFICER HELTZER: So ISAW, that's Islamic Saudi  
 24 Academy of Washington. I think it's pretty clear at this  
 25 point, but what, if anything, happened after the school

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1 received this Certificate of Incorporation, as far as you  
 2 know? What, if anything, happened with ISA of Washington?  
 3 THE WITNESS: We were getting ready and even though  
 4 issued the contract -- we incorporated in March 2009, and  
 5 the contract for employment starts in September 2009. That  
 6 year, we included one paragraph in the contract to say if we  
 7 transfer to ISAW, so the employment contract would be bind  
 8 by the same terms and conditions in that contract.  
 9 HEARING OFFICER HELTZER: Right, but what, if anything,  
 10 happened with regard to -- I mean were you familiar with the  
 11 entity, Islamic Saudi Academy of Washington? Did it have a  
 12 board of directors?  
 13 THE WITNESS: Yes.  
 14 HEARING OFFICER HELTZER: Okay.  
 15 THE WITNESS: It has a board of directors. It has by-  
 16 laws. It was ready to operate actually. What happened is  
 17 we have applied through the law firm to get 501(c)(3) which  
 18 is non-profit organization, incorporation non-profit  
 19 corporation ISA --  
 20 MR. FARRELL: Just --  
 21 HEARING OFFICER HELTZER: I'm more interested, I'm more  
 22 interested in what ended up happening. I understand because  
 23 you have testified about that, but what I'm looking to find  
 24 out is what, if anything, did ISAW ever do besides just  
 25 exist. I mean I guess you said that it did have a board of

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1 directors. It did receive the certificate, right?  
 2 THE WITNESS: Yes.  
 3 HEARING OFFICER HELTZER: But did it ever have any money  
 4 of any kind? You said no assets were transferred from the  
 5 Islamic Saudi Academy to it, but did it have --  
 6 THE WITNESS: We did open account in the name of the  
 7 corporation with HSBC, and after that, we cancelled the  
 8 accounts later on in 2010.  
 9 HEARING OFFICER HELTZER: 2010.  
 10 THE WITNESS: Uh-huh.  
 11 HEARING OFFICER HELTZER: And --  
 12 THE WITNESS: We have accounts actually at HSBC.  
 13 HEARING OFFICER HELTZER: What is it?  
 14 THE WITNESS: We take money to open the account because  
 15 we were going to do direct check deposit with another  
 16 company. They couldn't do the check for us and --  
 17 HEARING OFFICER HELTZER: But that never happened,  
 18 correct?  
 19 THE WITNESS: We had the accounts ready, but we never  
 20 started the process.  
 21 HEARING OFFICER HELTZER: No employees, ISA employees  
 22 were ever paid out of the accounts that were created under  
 23 the name ISAW?  
 24 THE WITNESS: No.  
 25 HEARING OFFICER HELTZER: Okay. But accounts were

38 (Pages 797 to 800)

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1 created with minimum balances --  
 2 THE WITNESS: Yes.  
 3 HEARING OFFICER HELTZER: -- as required by the bank?  
 4 THE WITNESS: Yes, sir.  
 5 HEARING OFFICER HELTZER: But was that money ever spent  
 6 on anything?  
 7 THE WITNESS: No, they close the account, and they  
 8 transfer it to the regular account of ISA.  
 9 HEARING OFFICER HELTZER: Okay. And just so -- I ask  
 10 you this just for the record, I mean were you involved  
 11 also -- I understand as director of finance --  
 12 THE WITNESS: Yes.  
 13 HEARING OFFICER HELTZER: -- you certainly have a lot of  
 14 experience dealing with ISA's finances. Were you also the  
 15 director or did you also -- were you exposed to or did you  
 16 deal with the finances of ISAW?  
 17 THE WITNESS: Yes.  
 18 HEARING OFFICER HELTZER: Okay.  
 19 THE WITNESS: I'm the one really negotiated the opening  
 20 of account for ISAW.  
 21 HEARING OFFICER HELTZER: Did you ever use the funds  
 22 that were in the accounts held by ISAW for any purpose at  
 23 all?  
 24 THE WITNESS: It was used only one. We have a company  
 25 called Time Check.

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1 HEARING OFFICER HELTZER: Okay.  
 2 THE WITNESS: Time Check was actually the company who  
 3 was going to do our payroll but -- and we have contract with  
 4 them at that time and we give them all the information of  
 5 the employees, all the salaries, all the time in, all the  
 6 sick leave and holidays and all this kind of vacations and  
 7 we transferred all the documents and data to that company to  
 8 take care of the payroll checks because --  
 9 HEARING OFFICER HELTZER: When was this?  
 10 THE WITNESS: That was in 2009.  
 11 HEARING OFFICER HELTZER: Okay.  
 12 THE WITNESS: And the company, we have an agreement with  
 13 them to withdraw their check for time clock that we use also  
 14 from them because I wanted to tie the time clock with the  
 15 payroll. So they cashed one or two checks of that, Time  
 16 Check, contact through the ISAW from HSBC Bank.  
 17 HEARING OFFICER HELTZER: So they cashed one or two  
 18 checks?  
 19 THE WITNESS: Yes.  
 20 HEARING OFFICER HELTZER: That's Time Check, this  
 21 company?  
 22 THE WITNESS: Yes.  
 23 HEARING OFFICER HELTZER: Did they actually pay any --  
 24 did -- Time Check was a contractor that handled payroll  
 25 issues for the --

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1 THE WITNESS: Yes, we outsourced the payroll to them,  
 2 and we have contract with them, and also we worked or rented  
 3 or leased from them time clock machine. We have like four  
 4 time clock machines to tie to the paycheck, the attendance  
 5 for employees to be tied to the paycheck company, to  
 6 payroll. For that two months they have deducted from our  
 7 checking account for ISAW from HSBC Bank like two times.  
 8 HEARING OFFICER HELTZER: Okay. And during that period,  
 9 and this was in 2009?  
 10 THE WITNESS: Yes.  
 11 HEARING OFFICER HELTZER: Do you know when in 2009?  
 12 THE WITNESS: It's about September and October.  
 13 HEARING OFFICER HELTZER: And during that time,  
 14 September, October 2009, did Time Check process the payment  
 15 of salary or checks to the employees of ISA?  
 16 THE WITNESS: No, we gave them all the data but the  
 17 transfer never took place. We did not process anything for  
 18 ISA then.  
 19 HEARING OFFICER HELTZER: Do you know amounts of money  
 20 that were paid to Time Check through the ISAW accounts?  
 21 THE WITNESS: To my knowledge, it's like 900 a month.  
 22 HEARING OFFICER HELTZER: For two months?  
 23 THE WITNESS: Yeah, about. That was drawn out two  
 24 times.  
 25 HEARING OFFICER HELTZER: Okay. Other than those two

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1 payments, September, October 2009, to Time Check, do you  
 2 recall any other payments being made out of the ISAW  
 3 accounts?  
 4 THE WITNESS: No, sir.  
 5 HEARING OFFICER HELTZER: Okay. Are ISA employees paid  
 6 in American dollars?  
 7 THE WITNESS: Yes, sir.  
 8 HEARING OFFICER HELTZER: Are -- based on what I've  
 9 asked, Mr. Plessner, do you have anything further?  
 10 MR. PLESSNER: I do. Just a couple.  
 11 HEARING OFFICER HELTZER: Okay. Go ahead.  
 12 REDIRECT EXAMINATION  
 13 Q. BY MR. PLESSNER: You mentioned that there were some  
 14 documents in a file relating to the incorporation of ISAW.  
 15 Is that correct?  
 16 A. Yes, sir.  
 17 Q. Okay. Do you know what documents are in that file?  
 18 A. I think we have the by-laws and the board of directors  
 19 of ISAW plus a certificate of --  
 20 Q. Do you know -- I'm sorry. Continue.  
 21 A. Plus a certificate from the state on federal --  
 22 Q. Do you know who was on ISAW's board?  
 23 A. They were dignitaries from Muslim community as well as  
 24 parents from ISA, parents and businessmen from the area of  
 25 Washington, D.C., from Muslim community.

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1 Q. Do you know if that board ever met together?  
 2 A. I have no knowledge.  
 3 Q. How do you know that the board exists?  
 4 A. Because I had their name listed on the -- because I  
 5 think in order to incorporate, you have to have a board of  
 6 directors to --  
 7 MR. FARRELL: Objection. Lacks foundation.  
 8 HEARING OFFICER HELTZER: Do you know, sir, whether it  
 9 had a board of directors and do you know who they were? I  
 10 mean --  
 11 THE WITNESS: I know one of them. I remember --  
 12 HEARING OFFICER HELTZER: Who was that?  
 13 THE WITNESS: Mr. Totonji (ph.).  
 14 HEARING OFFICER HELTZER: And how did you know --  
 15 THE WITNESS: Because he used to do business for the  
 16 Academy. He used to be the custodian for cleaning of the  
 17 Academy.  
 18 HEARING OFFICER HELTZER: How did you know he was on the  
 19 board of directors?  
 20 THE WITNESS: I know his name because I -- his girls  
 21 every month when he have a contract of cleaning for the  
 22 Academy.  
 23 HEARING OFFICER HELTZER: But as a member of the board  
 24 of directors of ISAW, how did you know that he was one of  
 25 them?

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1 THE WITNESS: I had the sheet with the names on it.  
 2 HEARING OFFICER HELTZER: So it's just because you saw  
 3 his name on the sheet?  
 4 THE WITNESS: Yeah, because I saw his name. I saw other  
 5 names --  
 6 HEARING OFFICER HELTZER: Okay.  
 7 THE WITNESS: I'm familiar with our parents of the  
 8 students of ISA.  
 9 MR. FARRELL: I'm going to object and move to strike.  
 10 It's hearsay and it's lacking in foundation.  
 11 HEARING OFFICER HELTZER: I think it's on the record,  
 12 and it's there for what it's worth. The reader of the  
 13 record will grant it whatever weight it deserves.  
 14 Q. BY MR. PLESSNER: At some point, did you know everybody  
 15 who was on the board of directors?  
 16 A. I know the names, but I don't know them personally  
 17 except a few.  
 18 HEARING OFFICER HELTZER: You mentioned that there was  
 19 also some federal -- you said in your file you have -- the  
 20 Commonwealth of Virginia, you said you had some corporate  
 21 documents from the Commonwealth of Virginia. You also just  
 22 mentioned some federal documents in your file.  
 23 THE WITNESS: Federal documents, state documents.  
 24 HEARING OFFICER HELTZER: Where is this?  
 25 THE WITNESS: In my filed.

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1 HEARING OFFICER HELTZER: And you testified about that  
 2 before as well. So similar efforts, I don't know, I mean  
 3 what, if anything, did ISAW do with regard to the State of  
 4 Maryland?  
 5 THE WITNESS: We establish an account with them because  
 6 we have couple of employees who lived in Maryland. So in  
 7 order to compensate the State of Maryland for taxes, we have  
 8 to file with the State of Maryland in order to send the  
 9 money for them, and I have the communication from the State  
 10 of Maryland as well as D.C. as Virginia, demanding quarterly  
 11 compensation from ISAW during that year that it was  
 12 incorporated.  
 13 HEARING OFFICER HELTZER: Did ISAW seek to be  
 14 incorporated in the state of Maryland?  
 15 THE WITNESS: No.  
 16 HEARING OFFICER HELTZER: How about Washington, D.C.?  
 17 THE WITNESS: No.  
 18 HEARING OFFICER HELTZER: And you mentioned federal  
 19 documents. What federal documents?  
 20 THE WITNESS: The IRS ID for the incorporation because  
 21 paycheck is a company that cannot process without a federal  
 22 ID and state ID. So we have to apply for federal, Virginia  
 23 State ID, D.C. State ID, and Maryland State ID, because we  
 24 have employees in D.C. and employees in Maryland. That's  
 25 why we have to apply for all this jurisdiction for paycheck

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1 to process the payment because they have to make deductions,  
 2 and the deduction must go to the state where the employee  
 3 lives.  
 4 HEARING OFFICER HELTZER: Okay. Okay. Go ahead.  
 5 MR. PLESSNER: I'm not using this document for any truth  
 6 of the matter. I just want to use it to refresh his  
 7 recollection.  
 8 HEARING OFFICER HELTZER: Well, I mean he hasn't  
 9 demonstrated that he doesn't remember what you're asking  
 10 about.  
 11 Q. BY MR. PLESSNER: At one point, did you remember who was  
 12 on the board of directors?  
 13 A. Yeah, I know.  
 14 Q. Can you remember now?  
 15 A. Mr. Totonji.  
 16 Q. Do you remember any others?  
 17 A. I don't believe.  
 18 MR. FARRELL: I'm going to object to any use of this  
 19 document. It's clearly a draft document. It's not  
 20 finalized. It's not signed. It doesn't even have a date on  
 21 it.  
 22 HEARING OFFICER HELTZER: Well, he's using it to refresh  
 23 recollection but it seems to me also, I'm not really sure  
 24 why -- I mean this witness says he doesn't remember. He  
 25 doesn't -- I don't know why it would even matter necessarily

# **PETITIONER EXHIBIT 1**





STATE CORPORATION COMMISSION

Richmond, March 3, 2009

*This is to certify that the certificate of incorporation of*

Islamic Saudi Academy of Washington

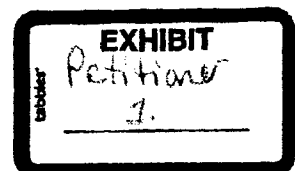
*was this day issued and admitted to record in this office and that  
the said corporation is authorized to transact its business subject  
to all Virginia laws applicable to the corporation and its business.  
Effective date: March 3, 2009*



State Corporation Commission

Attest:

*Joel Heck*  
Clerk of the Commission



MARK C. CHRISTIE  
COMMISSIONER

JAMES C. DIMITRI  
COMMISSIONER

JUDITH WILLIAMS JAGOMANN  
COMMISSIONER

# COMMONWEALTH OF VIRGINIA



JOEL H. PECK  
CLERK OF THE COMMISSION  
P.O. BOX 1197  
RICHMOND, VIRGINIA 23218-1197

## STATE CORPORATION COMMISSION Office of the Clerk

March 3, 2009

CT CORPORATION SYSTEM  
KATIE BUSH  
4701 COX RD STE 301  
GLEN ALLEN, VA 23060-6802

RE: Islamic Saudi Academy of Washington  
ID: 0706169 - 0  
DCN: 09-02-27-0626

Dear Customer:

This is your receipt for \$75.00, to cover the fees for filing articles of incorporation with this office.

This is also your receipt for \$100.00 to cover the fee(s) for expedited service(s).

The effective date of the certificate of incorporation is March 3, 2009.

If you have any questions, please call (804) 371-9733 or toll-free in Virginia, 1-866-722-2551.

Sincerely,

Joel H. Peck  
Clerk of the Commission

CORPRCPT  
NEWCD  
CIS0368

Tyler Building, 1300 East Main Street, Richmond, VA 23219-3630  
Clerk's Office (804) 371-9733 or (866) 722-2551 (toll-free in Virginia) [www.scc.virginia.gov/clk](http://www.scc.virginia.gov/clk)  
Telecommunications Device for the Deaf-TDD/Voice: (804) 371-9206

**EMPLOYER  
EXHIBIT 33**

# Islamic Saudi Academy

8333 Richmond Highway  
Alexandria, Virginia 22309  
(703) 780-0606

## EMPLOYMENT AGREEMENT

This Employment Agreement is made between the Islamic Saudi Academy (hereinafter referred to as the Academy), and [REDACTED] (hereinafter referred to as EMPLOYEE). EMPLOYEE's employment pursuant to the terms of this Employment Agreement will commence on September 1<sup>st</sup>, 2011 (the Effective Date) and terminate on August 31, 2012, unless earlier terminated in accordance herewith. The primary place of employment will be located in Fairfax County, Virginia.

### I. EMPLOYEE POSITION

The EMPLOYEE will initially have the title of [REDACTED], Grade/Class [REDACTED], reporting to a supervisor as set forth in the Academy's Employee Handbook and/or Operations Manual, as may be modified from time to time. The EMPLOYEE will be responsible for the roles and responsibilities customarily associated with such position. In addition, EMPLOYEE shall perform such other duties as his/her supervisor(s) may from time to time require. EMPLOYEE shall devote his/her full business efforts and time to the Academy and agree to perform his/her said duties faithfully and to the best of his/her ability.

### II. COMPENSATION AND BENEFITS

EMPLOYEE will receive an annual base salary of [REDACTED], paid in US \$, which will be paid in accordance with the Academy's normal payroll procedures, which presently consists of twelve monthly installments per calendar year. The number of work days for the 2011-2012 academic year will be 190-194. In addition, EMPLOYEE will be eligible to participate in all of the Academy's employee benefit plans and programs currently and hereafter maintained by the Academy of general applicability to other similarly situated employees of the Academy. The Academy reserves the right to cancel or change the benefit plans and programs it offers at any time.

EMPLOYEE acknowledges that, unless otherwise determined by the Academy, the Academy does not and will not withhold any income, employment or other taxes from his/her compensation and that EMPLOYEE is obligated (i) to report to any applicable taxing authorities all compensation received by his/her pursuant to his/her position with the Academy, and (ii) to pay all income (including estimated taxes), self-employment and other taxes thereon, as applicable. EMPLOYEE is solely responsible for all tax consequences arising out of his/her position with the Academy and represent that EMPLOYEE has consulted with his/her own personal tax advisors with respect to the tax consequences of his/her position with the Academy.

### III. TERMINATION

Employee's employment with the Academy constitutes "at-will" employment and may be terminated at any time with or without notice, with or without good cause or for any or no cause, at either party's option, provided, however, the Academy will provide thirty (30) calendar days prior written notice to the EMPLOYEE of any termination of his/her employment by the Academy other than for Cause, or may, in its discretion, pay his/her salary in lieu of such thirty (30) day notice period. In addition, the Academy may terminate, suspend, or place EMPLOYEE on probation immediately due to Cause. For purposes of this Agreement, "Cause" shall mean that (i) EMPLOYEE engaged in misconduct or failed, neglected, or refused to perform in any material respect, the duties of EMPLOYEE's assigned position; including the failure to hold or maintain any applicable registration, license, certificate, or permit; or (ii) EMPLOYEE, as determined by the Academy, is absent without excuse and/or without proper reporting of EMPLOYEE's intended absence for more than three (3) consecutive working days or such other time period as is the policy of the Academy. In the event the Academy terminates EMPLOYEE's employment for Cause, the Academy shall pay EMPLOYEE only such portion of EMPLOYEE's salary as has been earned for services rendered on a daily rate basis through EMPLOYEE's date of termination.

Notwithstanding the foregoing, EMPLOYEE agrees that EMPLOYEE will not resign from employment with the Academy at any time following the date hereof without providing thirty (30) calendar days prior written notice to the Academy. The parties agree that the notice period begins when the Academy's personnel manager receives the written notice from EMPLOYEE and ends thirty (30) calendar days thereafter. This notice period shall include all days during the employment period, regardless of any vacation time or sick leave accrued and regardless of any unexcused absences. Further, unless the Academy discontinues EMPLOYEE's services during the thirty (30) day notice period (in which case, for compensation purposes, EMPLOYEE will be paid for the entire 30 day period), EMPLOYEE agrees to continue to work for and provide services to the Academy during the notice period. EMPLOYEE agrees that upon terminating this Agreement by resignation, EMPLOYEE forgoes any claim to compensation other than EMPLOYEE's salary as has been earned for services rendered on a daily rate basis through EMPLOYEE's date of termination.

### IV. CONDITIONS OF EMPLOYMENT

By signing below and accepting this offer of employment, EMPLOYEE represents that, as required by the position of employment, (i) EMPLOYEE holds applicable certificates, registrations, or licenses, in full force; (ii) EMPLOYEE has the necessary credentials, including, if applicable, an official permit, to work in the United States, and; (iii) copies of these documents have been provided as part of EMPLOYEE's application for employment with the Academy's personnel manager. The failure to hold or maintain applicable certificates, registrations, licenses or permits may result in EMPLOYEE's termination of employment with the Academy. In addition, EMPLOYEE certifies that said EMPLOYEE is not accountable to any institution, agency, organization, or similar entity, under prior employment contracts, and that EMPLOYEE is therefore unencumbered and free to accept employment with the Academy. Further, EMPLOYEE understands that this Agreement shall be null and void in the event that the Central Criminal Records Exchange and/or FBI record check required by Virginia Code Ann. §§19.2-389 and §22.1-296.3 results in a "Not Qualified" report.

EMPLOYEE agrees to perform such duties during the period of the Agreement as are deemed necessary by the Academy for the efficient and successful operation of the Academy, including attending meetings, conferences, events, or activities, which may reasonably be scheduled outside of school hours. EMPLOYEE further agrees not to actively engage in any other employment, occupation or consulting activity for any direct or indirect remuneration without informing the EMPLOYEE's supervisor.

The terms of EMPLOYEE's employment with the Academy are subject to the terms of the Academy's policies as set forth in the Academy's Employee Handbook and Operations Manual, each as amended from time to time. EMPLOYEE agrees to comply with all Academy rules, regulations, policies and procedures as outlined in the Academy's Employee Handbook and Operations Manual, each as amended from time to time. The Employee Handbook and Operations Manual are specifically incorporated herein by reference and made a part of this contract, including the requirement that all employees entrusted with confidential and/or sensitive information in order to perform their duties shall maintain the integrity and confidentiality of that information. EMPLOYEE also shall not disclose confidential and/or sensitive information obtained during EMPLOYEE's employment and, following the termination of EMPLOYEE's employment with the Academy.

The Director General of the Academy will have the authority to assign all employees to their respective positions in the Academy, and may reassign EMPLOYEE to any position provided no change or reassignment shall adversely affect EMPLOYEE's salary.

EMPLOYEE acknowledges that the first three (3) months of employment with the Academy shall be considered a probationary period. The Academy reserves the right to terminate this Agreement with or without cause within this probationary period, without any monetary indemnity with the exception of only such portion of EMPLOYEE's salary as has been earned for services rendered through the date of termination on a daily rate basis.

#### **V. MISCELLANEOUS**

At all times during EMPLOYEE's employment, EMPLOYEE agrees to abide by the Academy's employment policies and procedures; as such policies and procedures may be in effect from time to time. However, if any policy or procedure conflicts with any express term of this Agreement, this Agreement will control.

EMPLOYEE agrees to comply with the Complaint/Grievance Policy set forth in the Employee Handbook. To the extent a complaint or grievance is not resolved pursuant to the Complaint/Grievance Policy and to the extent EMPLOYEE has any other controversy, claim or dispute arising out of or relating to this Agreement, any such complaint, grievance, controversy, claim or dispute shall be settled solely and exclusively by binding arbitration in Alexandria, Virginia. Such arbitration shall be conducted in accordance with the then prevailing Judicial Arbitration and Mediation Services (JAMS) Streamlined Arbitration Rules & Procedures, with the following exceptions if in conflict: (i) one arbitrator shall be chosen by JAMS; (ii) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (iii) arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS' rules and regulations) of the proceedings has been given to such party. Each party shall bear its own attorney's fees and expenses of the arbitration. If either party challenges the arbitrator's decision in court, that party shall pay the other party's reasonable attorneys fees and expenses incurred in connection with the court challenge to the arbitrator's decision. The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such complaints, grievances, controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided, however, that nothing in this paragraph shall limit the parties' right to seek provisional relief, including without limitation injunctive relief, in any court of competent jurisdiction.

EMPLOYEE agrees that there were no promises or commitments made to EMPLOYEE regarding EMPLOYEE's employment with the Academy except as set forth in this Agreement. Except as provided for herein, this Agreement supersedes and replaces (i) any prior agreements between EMPLOYEE and

the Academy and (ii) any prior agreements between EMPLOYEE and the Academy relating to the subject matter hereof, including, but not limited to, any and all prior employment agreements and offer letters.

This Agreement and any agreements or documents referenced in this Agreement, are the entire agreement relating to EMPLOYEE's employment with the Academy. This Agreement may be amended or altered only in a dated document signed by EMPLOYEE and the Academy; provided, however, that this Agreement, including all of the rights and obligations of the parties hereunder, may be assigned by the Academy in its sole discretion, and through the Government of Saudi Arabia, to any affiliate or successor of or to the Academy. In the event of any such assignment, all references herein to the Academy shall be deemed to be references to such affiliate or successor, as applicable. No waiver of any term or provision of this Agreement will be valid unless such waiver is in writing signed by the party against whom enforcement of the waiver is sought. The waiver of any term or provision of this Agreement will not apply to any subsequent breach of this Agreement.

This Agreement will be construed and interpreted in accordance with the laws of the Commonwealth of Virginia. Each of the provisions of this Agreement is severable from the others, and if any provision hereof will be to any extent unenforceable, it and the other provisions will continue to be enforceable to the full extent allowable, as if such offending provision had not been a part of this Agreement.

By signing below the EMPLOYEE accepts this offer of employment. This offer, if not accepted, will expire on Friday May 27<sup>th</sup>, 2012.

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

FOR THE ISLAMIC SAUDI ACADEMY

DATE: 5/6/11

SIGNATURE: Dr. Ronald Schultz

PRINT NAME: Dr. Ronald Schultz

TITLE: Chief of Staff and Acting Director General

# **EMPLOYER EXHIBIT 42**



✓

LEASE AGREEMENT BETWEEN  
FAIRFAX COUNTY BOARD OF SUPERVISORS AND  
THE ROYAL EMBASSY OF SAUDI ARABIA d/b/a  
THE ISLAMIC SAUDI ACADEMY  
FOR PROPERTY LOCATED AT  
8333 RICHMOND HIGHWAY, FAIRFAX, VIRGINIA 22304

EMPLOYER'S  
EXHIBIT

42

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COUNTY OF FAIRFAX  
LEASE AGREEMENT

THIS LEASE AGREEMENT, made this 3rd day of August, 1988, by and between THE BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA, a body corporate and politic, hereinafter referred to as "Board" (whose address is Board of Supervisors of Fairfax County, 4100 Chain Bridge Road, Fairfax, Virginia 22030), and THE ROYAL EMBASSY OF SAUDI ARABIA d/b/a/ THE ISLAMIC SAUDI ACADEMY hereinafter referred to as the "Tenant" (whose address is 601 New Hampshire Avenue, N.W., Washington, D.C. 20037), witness:

WHEREAS, the Board desires to lease to the Tenant certain premises, more particularly described below, and the Tenant desires to lease the same upon the terms and conditions and for good and valuable consideration described in this Lease Agreement, hereinafter referred to as the "Lease",

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, the parties hereto mutually agree as follows:

SECTION 1.0 PREMISES GRANT

A. The Board does hereby lease and demise to Tenant and Tenant does hereby lease from the Board buildings and the surrounding land located at 8333 Richmond Highway, Fairfax County, Virginia, formerly known as the Walt Whitman Intermediate School. The leased premises consist of approximately 148,000 rentable square feet of space described as the entire main structure and out buildings exclusive of the Home Economics Building. The buildings and the surrounding land leased hereby are defined more particularly on the site plan which is attached as Exhibit A and is incorporated by reference herein. The buildings and the surrounding land described on Exhibit A together with all appurtenant rights and rights to use other buildings and other adjacent lands are hereinafter collectively referred to herein as the "Premises."

B. It is agreed that, by occupying the Premises, Tenant acknowledges that it has had an opportunity to examine the Premises and is informed, independently of the Board, as to the character, construction and structure of the building. It is agreed that by occupying the Premises, the Tenant formally accepts the same "as is" and acknowledges that Board has complied with all requirements imposed upon it under the terms of this Lease. This Lease does not grant any right to light or air over or about the Premises or building or any mineral rights.

SECTION 2.0 TERM

The term of this Lease ("Term") shall be for a term of five (5) years commencing on the first day of occupancy or January 1, 1989, whichever date occurs first and ending on a date ~~said~~ five years after the date of the commencing of the Term.

SECTION 3.0 RENT/ESCROW/RENOVATION

A. The rental for the Premises for the entire Term shall be Five Million Dollars (\$5,000,000) ("Rental").

B. The Rental shall be paid in increments of One Million Dollars (\$1,000,000) by Tenant into an interest bearing escrow account ("Escrow") to be held by The Riggs National Bank of Washington, D.C. ("Escrow Agent"), or other Escrow Agent selected by the Tenant, as agreed to by the

SMR

JPM

10/1/88

Parties. The Escrow shall be disbursed by Escrow Agent to Tenant to be used by Tenant to complete the Renovations, as defined more particularly below. Prior to each payment from the Escrow, the Escrow Agent shall be satisfied that (I) the work to which such payment relates has been inspected and approved by the Office of General Services, Facilities Management Division ("Facilities Management"); and (II) no mechanics' or materialmen's liens have or will be filed against the Premises on account of such work. The Escrow shall be disbursed by Escrow Agent as provided by the terms of this lease. Escrow Agent shall not be responsible for the application of the Escrow. When the total amount of the Escrow is drawn down but for Five Hundred Thousand Dollars (\$500,000), Escrow Agent shall so notify Tenant, and Tenant shall be obligated to restore the balance of the Escrow to One Million Dollars (\$1,000,000) within thirty (30) days of receipt of such notice. In no event shall the balance of the Escrow be less than Five Hundred Thousand Dollars (\$500,000.00) until Tenant has paid the entire Rental into Escrow. Any accruing interest shall become part of the Escrow balance. Any balance remaining in the Escrow after expiration of the Term shall be paid to the County. The term "County" shall refer to the County of Fairfax, Virginia, its officials, employees, agencies or agents.

C. Tenant shall use the Escrow for the repair, refurbishment, and renovation of the Premises in accordance with applicable Building Codes and those categories identified in Exhibit B ("Renovation"). The Renovation, time table for Renovation, and selection of contractors shall be determined by Tenant after consultation with and approval of Facilities Management, or its designated agent, which approval shall be granted or denied within ten (10) working days of receipt of such request. The Renovation shall be begun and made to the Premises beginning as soon as is possible after the execution of this Lease. The approved renovation of the Premises shall be substantially completed within the first three (3) years of this Lease; however, at a minimum at least one million dollars (\$1,000,000.00) shall be spent each year during the first two (2) years of this Lease.

D. The County agrees to provide reasonable cooperation with the Tenant to expedite and minimize the cost of the Renovation and the County's review of plans. The County further agrees to give the Tenant immediate access to the Premises for the purpose of Renovation without any additional rent due, and shall make available to the Tenant any plans or plats of the Premises in its possession. Facilities Management shall have the right, in addition to any other rights of County officials, to inspect the work and require Tenant to remedy any defective work or any work not in conformance with approved plans and specifications.

E. This Lease can be terminated by the Board whenever the Board shall determine that such termination is necessary for the public health, safety and welfare. In the event Tenant is prevented from using the Premises as a result of such termination, the refund of Rental to which Tenant shall be entitled shall be equal to the amount paid into Escrow times the pro rata amount of the lease period remaining on the Term, provided the Tenant has expended and the County has received the equivalent of one million dollars (\$1,000,000.00) per year for the expended term. This refund shall be payable by the County to Tenant within one hundred twenty days (120) days of Tenant vacating the Premises.

SECTION 4.0 USE

A. Tenant represents, covenants and warrants that the Premises will be used lawfully and agrees to abide by all applicable laws and regulations of all lawful authorities for the following purposes and for no other purposes: As a private school of general education for boys and girls in grades pre-kindergarten through twelve not to exceed 1120 students and all educational, cultural and recreational activities associated with a private school of general education.

Tenant shall have a license coupled with an interest for the entire Term to use the outdoor athletic and recreational area identified as the "Upper Athletic Field" on Exhibit A from 9 a.m. until 5:30 p.m., daily and at such other times as may be scheduled by mutual agreement. In addition, Tenant shall have a license coupled with an interest for the entire Term to use the outdoor athletic and recreational areas identified on exhibit A as the "Lower Athletic Field" from 9 a.m. until 1:30 p.m. daily and at such other times as can be scheduled by mutual agreement. The track which is located on the Lower Athletic Field shall be open at all times for use by the general public. At all other times, scheduled uses for the outdoor facilities on both the Lower and Upper Athletic Fields may be made by the Board, Park Authority, or other Fairfax County entity without any rent abatement to the Tenant.

The County shall have the right to schedule and use the gymnasium wing between the hours of 5:30 p.m. until approximately 11:00 p.m. weekdays and all day on weekends for supervised, recreational programs. The Tenant may request the County to schedule occasional evening or weekend activities in the gymnasium wing and athletic fields.

The County shall have the right to schedule the use of the auditorium, band, choral area, the cafeteria, library, and incidental classrooms, upon written request to and approval of the Tenant, which approval shall not be unreasonably withheld, provided that such use would not interfere with normal school activities. Any costs associated with the use of these areas by the County's approved activities during the summer shall be paid to the Tenant if Tenant incurs such costs and such costs would not have ordinarily been incurred. Any use by the community may be assessed a charge no greater than those rates charged by the Fairfax County Public Schools for use of their facilities.

B. If the Premises are used by Tenant for other than the above specified activities, the Board shall notify Tenant and if Tenant has not abated the unauthorized activity within fifteen (15) days, the Board, without any further notice, may void the Lease and request Tenant to vacate Premises within ninety (90) days.

C. The Premises, although previously used as a public facility, are currently zoned R-2 and C-8. The use intended by the Tenant shall comply with existing Fairfax County regulations and/or requirements and it shall be the responsibility of the Tenant to obtain at its expense any and all approvals, permits and licenses necessary to occupy and to conduct its use of the Premises. For the sole purpose of allowing Tenant to meet the F.A.R. provisions of the zoning ordinance, the County hereby gives its permission for Tenant to use the following additional parcels: the rear portion of 101-4-((1)), Parcel 5A, 101-4-((1)), portion of Parcel 57, 101-4-((8)), Parcels E, 1, 101-4-((7)), Parcel 39 totaling 14.3206 acres, for density purposes and for such other purposes as are agreed to herein. This Lease and Tenant's obligation to pay the Rental shall be subject to and contingent upon the Tenant's obtaining the necessary approvals, permits and licenses, and shall be null

purposes and for such other purposes as are agreed to herein. This Lease and Tenant's obligation to pay the Rental shall be subject to and contingent upon the Tenant's obtaining the necessary approvals, permits and licenses, and shall be null and void if same cannot be obtained within ninety (90) days for Special Permits and one hundred twenty (120) days for Special Exceptions from the date of this Lease. These Periods may be extended by the mutual agreement of the parties. The extension of these Periods will not be unreasonably refused if Tenant has filed and is diligently pursuing such approvals. The Tenant hereby agrees to file the necessary applications within ten (10) days of the execution of this Lease and to pursue same with all due speed and diligence. The Board shall assist in providing available material and technical data to the Tenant as required to make such applications. The County shall in no way be a party to or participate in the said application. It is understood that, although the Tenant is the applicant for the permit and is responsible for the costs of these approvals, the Board may be required to endorse these applications as the owner of the property. The Board agrees to cooperate in the preparation and submission of necessary application materials. The County agrees to return to Tenant all remaining funds in the Escrow if the Board fails to approve necessary special permits and/or special exception to operate a school of general education as is provided in this lease. Tenant agrees to deliver to the Board within thirty (30) days of receipt evidence that these necessary approvals, licenses and permits have been obtained. Tenant agrees to present evidence at any time during the term of this Lease or renewals or any extension thereof, that any and all necessary approvals, licenses and permits continue in effect. Such evidence shall be presented within thirty (30) days of receipt of the County's written request for such evidence.

C. During the Term, the County, by providing the Tenant with one hundred and twenty (120) days notice, may have exclusive use of renovated classroom space, use not to exceed 4,000 squarefeet, which is handicapped accessible. The actual location of such space shall be mutually agreed to by the parties. If the County is permitted the exclusive use of this area of the Premises, the rent and utilities will be adjusted proportionately.

#### SECTION 5.0 DEFAULT

A. Tenant shall be considered in default of this Lease upon happening of any of the following:

1. A breach of any term, covenant or condition of this Lease other than payment of rent continuing for more than thirty (30) days after written notice is given to the Tenant; provided, however, that if any such breach is not susceptible of being cured within such thirty (30) days, appropriate corrective action is commenced within such thirty (30) days and is pursued diligently by Tenant and completed no later than thirty (30) days after such notice is given, unless otherwise mutually agreed by the parties.

2. The abandonment of the Premises by the Tenant or the discontinuance of the use permitted hereunder. The Premises shall not be deemed abandoned or the use discontinued during scheduled periods of school vacation and/or holidays.

3. A default of ten (10) days in payment of Rental from the date due.

4. If the Tenant or its representatives shall suffer any levy against its property on the said Premises or shall make an assignment for the benefit of creditors.

B. In the event of default by Tenant not corrected per above provisions the County may, at its option, pursue the following remedies and any other remedy provided or permitted by law.

1. The County may terminate this lease, and re-enter the leased Premises and again have, possess, and enjoy the same as and its former estate, but no such re-entry shall be deemed an acceptance of the surrender of this Lease. In the event of re-entry for default, the County may, at its option, relet the leased Premises or any part thereof, as agent for Tenant, for any sum which it may deem reasonable, but the County shall not be under any obligation to relet the Premises for any purpose other than that specified in this lease. In event of termination for default, Tenant shall remain liable for all its obligations under the Lease, and for such losses and damages as the County may sustain as a result of Tenant's breach hereof, which together with reasonable attorneys' fees, shall be considered payable as rent hereunder.

2. The County may declare the term of this Lease at an end immediately, without notice or demand, enter into and upon the Premises, or any part thereof, repossess the same, expel the Tenant and those claiming under Tenant and remove his, its, or their effects forcibly, if necessary, without being deemed guilty of any manner of trespass, but without prejudice to the lawful remedies which the County may have for arrears of rent and the breach of covenants of this Lease.

3. It is hereby agreed that all personal property of Tenant at the Premises shall be liable to distraint for rent. Tenant hereby waives the benefit of other laws exempting personal property from levy and sale for arrears rent.

4. In the event of default by the Tenant, all funds held in Escrow shall be immediately paid to the County.

#### SECTION 6.0 PARKING

Parking shall be in areas designated on Exhibit A for buses, staff and visitors only. It is the policy of the Tenant to provide bus transportation to all students to and from ~~its~~ schools. Tenant intends to continue that policy for the Premises. No designated student parking areas will be provided. In addition, at such time as the County elects to occupy the Home Economics Building, up to twenty five (25) parking spaces will be set aside for County use. Tenant also agrees to cooperate fully with the County to ensure that adequate parking is available for persons using the gymnasium during the scheduled activities of the Recreation Department. School buses left on the Premises on evenings and weekends will not be parked in those areas identified as #1 and #2 on Exhibit A. The parking of buses and staff vehicles next to the gymnasium is prohibited between 5:30 p.m. and approximately 11 p.m. on weekdays and on weekends during the Recreation Department's scheduled hours of operation. Should additional parking be required, as the result of the County's use of the Home Economics Building, the County will participate by contributing fifty percent (50%) of the cost to provide up to fifteen (15) additional parking spaces on the site.

**SECTION 7.0 MODIFICATIONS AND REPAIRS**

A. Tenant agrees to accept the Premises "as is" and to make any necessary modifications and repairs required by applicable Building Code standards in order to make and keep the Premises acceptable for the approved use.

B. Tenant agrees to consult with Facilities Management in advance concerning all improvements to the Premises including but not limited to structural, interior and exterior modifications or additions. Tenant will submit plans and specifications to Facilities Management for review and approval. Any substantial deviations from these specifications must be approved by Facilities Management, which consent will not be unreasonably withheld. After the commencement of the Term, if work is abandoned in the middle of any renovations, the County may utilize part or all of the remaining monies in Escrow.

C. Tenant shall not place any lettering, signs or objects on exterior doors, windows, fences, or outside walls of demised Premises without the permission of Facilities Management. No signs shall be visible through or on windows.

D. At the termination of the Lease, or any extension or renewal thereof, all improvements to the Premises shall be and remain the property of the County; provided, however, that the County may require the Tenant at its expense to remove from the Premises any items installed therein by the Tenant which had not been approved by the County for permanent installation. Tenant shall restore areas not approved for installation to a condition acceptable to the County.

E. Tenant shall be responsible for repairs or maintenance necessitated by the negligence of Tenant, its agents, servants, guests or invitees; and all damage to the Premises caused by the Tenant, its agents, servants, guests or invitees, shall be repaired promptly at the expense of the Tenant. The County shall be responsible for repairs or maintenance necessitated by the negligence or wrongful conduct of its agents, servants, guests or invitees participating in activities in the gymnasium, auditorium or other areas of the Premises.

F. Any renovation or improvements made or obtained by Tenant are made at Tenant's sole risk and expense, and the County shall not be held responsible for any claims for injury or loss of property due to renovation or improvements made by or for Tenant.

G. At the time the County reviews the plans and specifications for the Renovation, the County will identify those specific modifications, improvements or renovations which it desires to reserve the right to have Tenant remove from the Premises at Tenant's expense at termination of the Term. All moveable partitions, unattached equipment and certain temporarily attached equipment which is specifically identified and agreed to by the parties which are installed in the Premises at Tenant's expense shall remain the property of the Tenant and may be removed by Tenant. Tenant shall, however, repair any damage caused by such removal before vacating the Premises. Any modification to the Premises shall comply with applicable Building Codes. The Tenant agrees that it will do nothing to diminish the accessibility of the Premises to the handicapped.

H. The Tenant agrees to provide full maintenance to the Premises and Upper Field during the Term of this Lease; such maintenance to include, but not limited to, the maintenance of the heating, plumbing, electrical, sewer and water systems; snow



and ice removal; sanding or salting of the driveway, walks and parking areas; cutting grass; custodial service; normal painting and repair to the doors, windows and roof.

**SECTION 8.0 UTILITIES**

Upon execution of this Lease, the County shall transfer the utilities for the Premises to the Tenant's name for electric, heating water, sewer, telephone and other services. The County shall not be liable for failure to furnish utility service when such failure is caused by conditions beyond the control of the County or by accidents, repairs or strikes; nor shall such failure constitute an eviction; nor shall County be liable under any circumstances for loss of or injury to property, however occurring, through or in connection with or incidental to the furnishing of any utilities. The County agrees to reimburse the Tenant for ten percent (10%) of the utility costs for the Premises for its use of the gymnasium and auditorium within forty five (45) days of request by Tenant.

**SECTION 9.0 LIABILITY AND INSURANCE**

A. The County shall not be liable for the loss, vandalism, or destruction of any property of the Tenant contained in or about the Premises, unless such loss, vandalism, or destruction results from the negligence of the County, its agents or employees.

B. Tenant shall indemnify and save harmless the County, its agents, and its employees against all liability, loss, damage and expense, including court costs and attorneys' fees, incurred or suffered by the County, its agents and employees as a result of the failure of the Tenant, its agents or employees, to perform any covenant hereunder, or for any accident, injury, or damage to person or property occurring in or near the Premises, which results or occurs during the Tenant's use or occupancy of the Premises and which results or arises from the negligence of the Tenant, its agents, employees invitees or guests; but the foregoing provision shall not apply where its effect, if applicable, would make such provision void under State Law. Tenant agrees to obtain, pay for and maintain throughout the term of this Lease and any extension or renewal thereof a policy of comprehensive general liability insurance in a minimum amount of one million dollars (\$1,000,000.00) per occurrence for bodily injury and property damage (combined single limit). Such policy, shall provide insurance for Tenant's indemnity obligations hereunder and shall provide that such policy shall not be cancelled or terminated without sixty (60) days notice in writing to the Facilities Management and the County Risk Manager. Such policy shall name the Tenant as the insured party, and the County as an additional insured party, be with a responsible company, and be a "blanket" or "excess risk" policy with coverage of not less than five million dollars (\$5,000,000.00). In addition, such other policies shall be provided as may be required by applicable law in forms and amounts satisfactory to the County. Tenant shall provide to the County's Risk Manager an original Certificate of Insurance evidencing compliance with the insurance provisions stated herein.

C. The County shall not be liable for any damage or injury to person or personal property caused by or resulting from faulty sprinkler, steam, electricity, gas, water, rain, ice or snow, any leak or flow from or into any part of the Premises or for any damage or injury resulting or arising from any other cause or happening whatsoever, unless said damage or injury is caused by the negligence of the County, its agents or employees and then only to the extent provided by law; and notwithstanding any other provision hereof, the County and Tenant agree that neither shall

be liable to the other or to any insurance company insuring Board or Tenant for any loss or damage to property of either within the leased Premises which was or could have been covered by fire or extended coverage or boiler or sprinkler damage insurance, even though such loss or damage may have been occasioned by the negligence of the County or Tenant, its agents or employees. In the event of such loss or damage, the County and Tenant agree to seek reimbursement from the appropriate insurance company providing insurance for such loss or damage.

**SECTION 19.0 RESPONSIBILITIES OF TENANT**

Tenant covenants and agrees:

A. Not to injure or deface or suffer to be injured or defaced the Premises or any part thereof and to promptly replace or repair any damages to the Premises, other than damage to structural portions.

B. To keep the Premises in good order and condition at all times and to give County prompt notice of any defects in, or damage to, the structure, equipment, or fixtures of Premises.

C. Not to strip, overload, damage or deface the Premises or hallways, stairways, or other approaches thereto, of said building, or the fixtures therein or used therewith, nor to suffer or permit any waste to, in or upon the Premises or any part of said building.

D. Not to keep gasoline or other flammable material or any other explosive in or near the Premises or in or near the building of which they are a part which will increase the rate of fire insurance on the building beyond the ordinary risk established for the types of operations above provided to be conducted therein or in violation of applicable regulations and any such increase in the insurance rate due to the above, or Tenant's special operations carried on within the Premises, shall be borne by Tenant. Tenant shall not by any act or thing placed upon the Premises or in or about the building of which they are a part which makes void or voidable any insurance on the Premises or building; and Tenant expressly agrees to conform to all rules and regulations from time to time established by the Commonwealth of Virginia Insurance Rating Bureau, or any other authority having jurisdiction.

E. To take appropriate measures to conserve and efficiently use energy and other resources (i.e., heat, water, and utilities).

F. Not to use or allow to be used the Premises or any part thereof for any illegal, unlawful, or improper purpose, or for any activity which will be noisy, boisterous or in any other manner constitute a nuisance to adjacent properties or the adjacent neighborhood or which may be likely to endanger or affect any insurance on the Premises.

G. All covenants of Tenant relating to the use of, or misuse of, the Premises or anything therein shall be construed to include use or misuse thereof by Tenant's agents, employees, and invitees.

H. To supervise and conduct its activities in such a manner as to insure no disruption to the pleasurable and quiet enjoyment and possession of the other occupants of the Premises.

I. Not to obstruct or use the sidewalks, passages, and staircases and other parts of the building which are not occupied by the Tenant for any other purpose than ingress and egress.

J. Tenant agrees to use the Premises in a reasonable manner, including all improvements, so that they can be maintained in a good condition and state of repair throughout the term of this Lease, and any extension or renewals thereof. Tenant agrees to keep the Premises generally clean and neat in appearance at all times. Specific non-routine costs of maintenance, repair, or service may be presented to Facilities Management as non-routine expenses and, if approved by the County or its designated agents, such expenditures may be paid from the Escrow.

**SECTION 11.0 DAMAGE BY FIRE OR CASUALTY**

A. If the Premises shall be destroyed or damaged from whatever cause, so as to render them unfit for the purpose for which leased, and if it is not reasonably possible to repair such destruction or damage within ninety (90) days, as determined by the Tenant or the County, either party shall be entitled to terminate the Lease by written notice within thirty (30) days after such destruction.

B. Except as otherwise provided herein if the Premises can reasonably be repaired within ninety (90) days from the date of damage, as determined by the County, then it shall be the duty of the County to so repair such premises to the extent that monies are available from the County's insurance provided that if the buildings are fully destroyed or the County determines that it is uneconomical, impractical or unfeasible to make such repairs considering the extent of damage and the cost of repairs, the County may, at its option, terminate the Lease, on thirty (30) days written notice unless Tenant notifies Board in writing that Tenant desires to bear the cost of the repairs.

C. The County agrees to purchase an all-risk, one hundred percent (100%) replacement cost with a twenty five thousand dollar (\$25,000) deductible insurance policy for fire and physical damage to the Premises and fixtures. Such policy shall include coverage for loss of use of the Premises and will name the Tenant as an additional insured. The Tenant agrees to pay the cost of one half (1/2) of the annual premium for this policy within thirty (30) days of being presented the bill by the County. A copy of the insurance policy shall be provided to the Tenant. In the event of total destruction of the building or if the County determines that it is uneconomical, impractical or unfeasible to repair damage to the Premises, the Tenant shall be entitled to recover from the proceeds of the insurance policy the actual value of the cost of renovations as adjusted, for the rental for the term expended. In the event of recovery under the policy, the parties agree to split the cost of the deductible twenty five thousand dollars (\$25,000) equally.

D. The provisions of paragraph 11(A), 11(B), and 11(C) are Tenant's sole remedy for loss of use of Premises or termination of the lease due to destruction or damage.

**SECTION 12.0 SUBJECT TO ALL LAWS**

A. This Lease shall be governed by the laws (including without limitation these relating to nondiscrimination) of the United States, the Commonwealth of Virginia, Fairfax County, and applicable Board regulations, and Tenant agrees to abide by these provisions.

B. This Lease is contingent upon and subject to the approval of the United States Department of State.

**SECTION 13.0 ACCESS**

Tenant shall allow the County, its employees or agents to have access to the Premises at all reasonable times for the purpose of inspection, or in the event of fire or other property damage, or at any other time for the purpose of performing any work required to be performed by the County, or which the County considers necessary or desirable, or for any other purpose for the reasonable protection of the Premises. The County shall not exercise its rights of access and repair under this section or this Lease in a manner that interferes with the approved use of the Premises.

**SECTION 14.0 WAIVER**

No waiver by the County of any breach of any covenant, condition, or agreement herein contained shall operate as a waiver of the covenant, condition, or agreement itself or of any subsequent breach thereof.

**SECTION 15.0 NOTICE OF DEFECTS**

Tenant shall give the County prompt written notice of accidents or defects on or about the Premises or of damages to the Premises.

**SECTION 16.0 QUIET POSSESSION**

The County covenants and agrees that, if Tenant shall perform all the covenants, conditions, and agreements herein contained to be performed on Tenant's part, Tenant shall at all times during the term of this Lease and any renewal or extension thereof have the peaceable and quiet enjoyment and possession of the Premises.

**SECTION 17.0 COMPLIANCE WITH LAWS**

It is understood and agreed by and between the parties that Tenant, at its expense, will comply with, observe, and perform the requirements of applicable statutes, ordinances, policies, rules, orders, procedures, and regulations now in effect or hereinafter promulgated by the United States, Commonwealth of Virginia, Board of Supervisors of Fairfax County, Fairfax County Fire and Rescue Services with respect to the lease of and use of the Premises. If any act or failure to act on Tenant's part results in a violation of any of the above referenced statutes, ordinances, rules, orders, and regulations, upon due notice, Tenant will act promptly to comply therewith. Any violation of any of the above referenced statutes, ordinances, rules, orders and regulations is subject to Paragraph 5(A)(1) of this Lease.

**SECTION 18.0 SURRENDER OF POSSESSION**

Tenant agrees, at the expiration or other termination of this Lease, to remove all goods and effects from the Premises not the property of the County, and to yield up to the County the Premises and all keys and locks and other fixtures connected therewith (except trade fixtures and other fixtures identified as belonging to Tenant pursuant to provisions of this lease), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Tenant is not herein expressly made liable, excepted. Notwithstanding the above, Tenant shall not be responsible for structural soundness of the Premises.

**SECTION 19.0 BENEFIT AND BURDEN**

The provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and each of their respective representatives.

**SECTION 20.0 ASSIGNMENT**

The Tenant shall not transfer nor assign this Lease, nor let or sublet the whole or any part of the Premises or permit any other person, firm or corporation to occupy or use any part of Premises without the written consent of the County.

**SECTION 21.0 MAILING OF NOTICES**

Any notice which the County may desire or be required to give the Tenant shall be deemed sufficiently given or rendered, if in writing, delivered to the Tenant by certified or registered mail, return receipt requested, addressed to the Tenant as the Islamic Saudi Academy at 601 New Hampshire Ave., N.W., Washington, D.C. 20037, or at Premises. The Tenant's designated contact person for all problems shall be Dr. Saad Adwani. Any notice which the Tenant may desire or be required to give the County shall be deemed sufficiently given or rendered, if in writing, delivered to the County by certified or registered mail, return receipt requested, addressed to Facilities Management Division at 10459 Main Street, Fairfax, VA 22030 or other such places as Tenant or County may from time to time designate in writing. The parties may change the address or designation of agent by giving notice in accordance with this paragraph. Any notice given hereunder shall be deemed delivered when the return receipt is signed or refusal to accept the notice is noted thereon.

**SECTION 22.0 LIENS**

If any mechanic's lien or liens shall be filed against the Premises for work done or materials furnished to Tenant or its sublessees, Tenant, within thirty (30) days after notice thereof, at its expense will discharge such lien or cause such lien or liens to be discharged by filing or causing to be filed the bond or bonds for that purpose required by law or provide other suitable security.

**SECTION 23.0 AUTHORITY TO CONTRACT**

The County covenants that it has a right to make this Lease for the Term aforesaid and that, if Tenant shall pay the rental and perform all of the covenants, terms, and conditions of Lease, Tenant shall freely, peaceably and quietly occupy and enjoy the full possession of the Premises without molestation or hindrance by County or any party claiming through or under County. This Lease is contingent upon the same being ratified by the Board after a public hearing has been conducted in accordance with the requirements of the Code of Virginia and the Fairfax County Code.

**SECTION 24.0 NO PARTNERSHIP**

Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between County and Tenant, or to create any other relationship between the parties hereto other than that of Landlord and Tenant.

**SECTION 25.0 APPLICABLE LAW**

County and Tenant agree to be bound by the applicable laws of the United States and the Commonwealth of Virginia in any proceeding, whether in law or in equity, with respect to any dispute arising under this Lease.

SECTION 26.0 TIME OF ESSENCE

Time is of the essence with respect to the performance of each of the covenants and agreements under this Lease.

SECTION 27.0 AGREEMENT AND COVENANT

Every term, condition, agreement or provision contained in this Lease that imposes any obligation on Tenant or County shall be deemed to be also a covenant by Tenant or County.

SECTION 28.0 SEVERABILITY

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws in effect during the term of this Lease, it is the intention of the parties that the remainder of this Lease shall not be affected thereby. It is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

SECTION 29.0 NO USE AS A DIPLOMATIC MISSION

Tenant agrees that the only diplomatic use of the Premises shall be as a school of general education. The rights and remedies of the County, under this Lease, shall not be adversely affected because the Lease has been executed by The Royal Embassy of Saudi Arabia d/b/a as The Islamic Saudi Academy.

SECTION 30.0 ENTIRE AGREEMENT

This Lease, together with any Exhibits attached hereto and referenced herein, contains the entire and only agreement between the parties. No oral statements or representations or prior written matter not contained or referred to in this Lease shall have any force or effect. This Lease shall not be modified in any way except by a writing executed by both parties hereto. No waiver of any provisions of this Lease shall be deemed to have been made, unless it be in writing and signed by both parties hereto.

IN WITNESS WHEREOF the parties hereto have affixed their signatures and seals, all as of the date first above written.

FOR TENANT:

In the Name of Allah, The Merciful  
and Compassionate

WITNESS:

THE ROYAL EMBASSY OF SAUDI ARABIA,  
doing business as THE ISLAMIC SAUDI  
ACADEMY

SEAL:



FOR BOARD:

WITNESS:

Kamal Abbad  
K. Abbad

BOARD OF  
SUPERVISORS, FAIRFAX  
COUNTY, VIRGINIA

By:

By: S. M. Raythy  
8-05-88

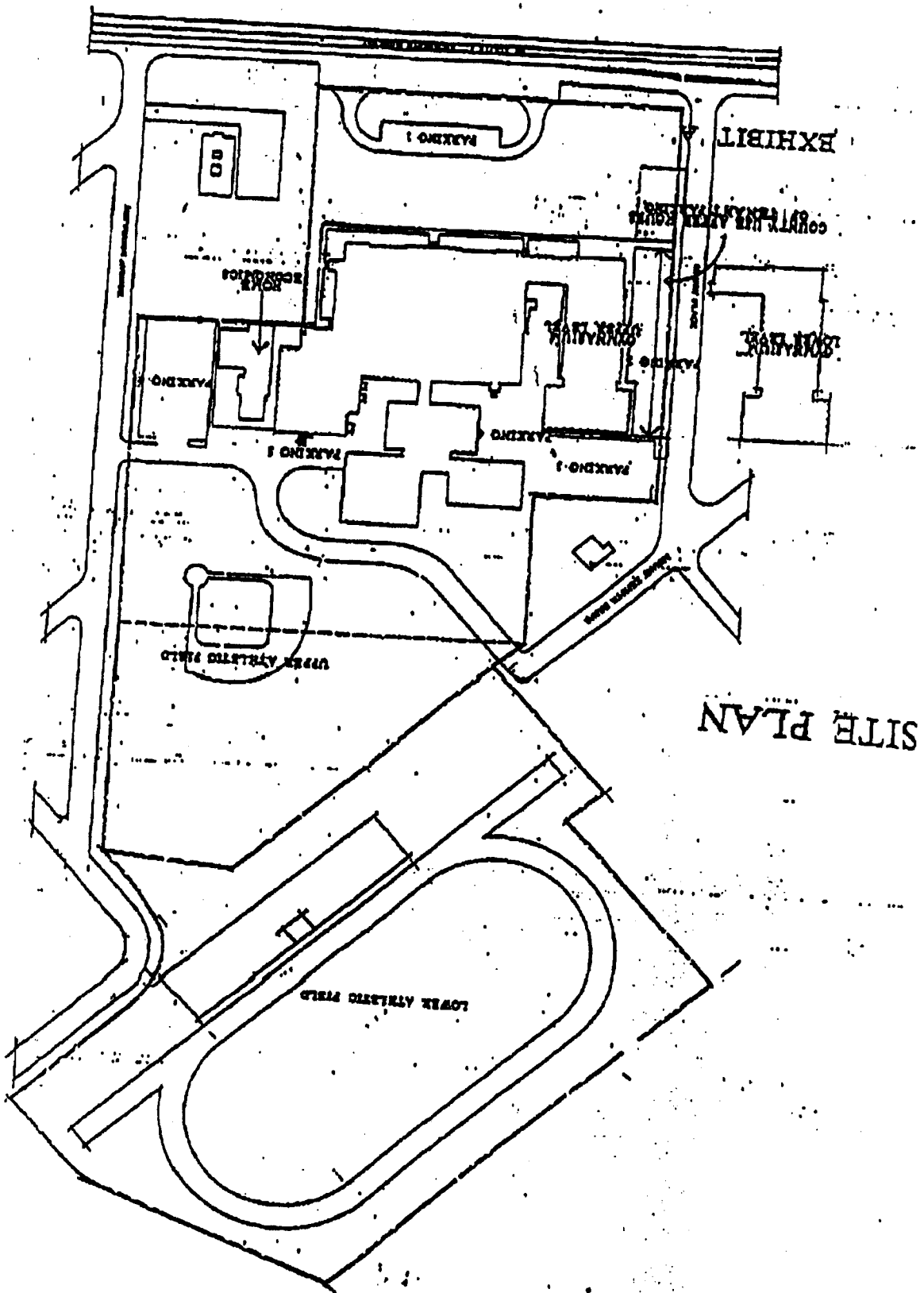




Exhibit B

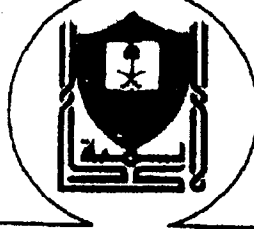
POSSIBLE RENOVATIONS  
WALT WHITMAN INTERMEDIATE SCHOOL

Parking & Paving  
Security System  
Electric Service  
Repair & Upgrade  
Fire Alarm  
Air Conditioning  
Misc. Wiring  
Carpeting  
Roof Repairs  
Ceiling  
Lighting  
Partitions  
Window Repair/Replacement  
Drywall  
Exterior Painting  
Interior Painting/Plastering  
Landscaping  
Demolition  
Plumbing Repair & Replacement  
Playground & Athletic Areas  
Asbestos Related Expenses

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**The Islamic Saudi Academy**

The United States of America



**الأكاديمية الإسلامية السعودية**

الولايات المتحدة الأمريكية

Enclosures ..... المرفقات Date ..... التاريخ Ref. # ..... الرقم  
December 6, 2011 1/514

**Mr. Anthony H. Griffin-County Executive**  
**Fairfax County Department of General Services**  
**Office of the Director**  
**12000 Government Center, Suite #424**  
**Fairfax, VA 22035-0066**

Dear Mr. Griffin,

This letter is to express our desire and interest to exercise the first "once a year lease option" and to extend the current lease from **June 30, 2012 to June 30, 2013** in accordance with section 2.0 of the Sixth Addendum to the Lease Agreement for **8333 Richmond Highway, Alexandria, VA 22309**. This letter will serve as a written notice of the Academy's renewal request for a one year lease extension.

We would like to take this opportunity and wish you all happy holidays and a happy new year.

Sincerely,

*R. H. Schultz*

**Ronald H. Schultz, PhD**  
**Acting Director General**

**COUNTY OF FAIRFAX**  
**SIXTH ADDENDUM TO LEASE AGREEMENT**  
**FOR**  
**8333 RICHMOND HIGHWAY, ALEXANDRIA, VIRGINIA**

This SIXTH ADDENDUM to the Lease Agreement made this 21<sup>st</sup> day of NOV, 2010, by and between the Board of Supervisors of Fairfax County, Virginia, a body corporate and politic, party of the first part, hereinafter referred to as "the Board" and the Royal Embassy of the Kingdom of Saudi Arabia d/b/a The Islamic Saudi Academy, party of the second part, hereinafter referred to as "the Tenant,"

**WITNESSETH**

WHEREAS, the parties have previously entered into a Lease dated August 3, 1988, ("Lease") for certain premises known as 8333 Richmond Highway, Alexandria, Virginia, which premises are more particularly described in the Lease; and

BY ADDENDUM TO LEASE AGREEMENT dated September 30, 1992, and hereinafter referred to as the "FIRST ADDENDUM TO LEASE AGREEMENT," the parties amended the original Lease Agreement; and

WHEREAS, BY THE SECOND ADDENDUM TO LEASE AGREEMENT dated November 19, 1999, the parties amended the original Lease Agreement and the FIRST ADDENDUM TO LEASE AGREEMENT; and

WHEREAS, BY THE THIRD ADDENDUM TO LEASE AGREEMENT dated February 17, 2004, the parties amended the original Lease Agreement and the FIRST and SECOND ADDENDUMS TO LEASE AGREEMENT; and

WHEREAS, BY THE FOURTH ADDENDUM TO LEASE AGREEMENT dated March 27, 2007, the parties amended the original Lease Agreement, and the FIRST, SECOND, and THIRD ADDENDUMS TO LEASE AGREEMENT; and

WHEREAS, BY THE FIFTH ADDENDUM TO LEASE AGREEMENT dated May 29, 2008, the parties amended the original Lease Agreement, and the FIRST, SECOND, THIRD, and FOURTH ADDENDUMS TO LEASE AGREEMENT; and

The parties desire to extend the Lease for these premises, upon the terms and conditions set forth in the original Lease and First, Second, Third, Fourth, and Fifth Addendums to the Lease as specifically modified by this Sixth Addendum to the Lease Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth in the Lease and the First, Second, Third, Fourth, and Fifth Addendums to the Lease as modified by this Sixth Addendum to the Lease Agreement, the parties mutually agree as follows:

#### 1.0 PREMISES

The term "premises" refers to those premises that were described in the Lease and in the First Addendum to the Lease.

#### 2.0 EXTENSION OF TERM

The Lease term is extended from July 1, 2011, through June 30, 2012. In addition, this Lease may be renewed upon mutual agreement of both parties for two additional one-year periods (through June 30, 2013, and June 30, 2014, respectively), provided that, for each additional one-year period, Tenant gives written notice of request to renew to the Fairfax County Executive no later than eight months prior to the

expiration of the then current Lease Term. Notice of request to renew by Tenant shall not commit the Board to agreement to lease renewal. Agreement to lease renewal shall not be binding upon the Board until and unless the Fairfax County Executive gives written notice of acceptance of renewal to Tenant. The Fairfax County Executive shall provide a response to the notice of request in a reasonable and timely fashion. Notwithstanding anything to the contrary contained in this Lease Agreement, the holdover rent, equivalent to 120% of Rent, shall not be applicable until six months after receipt by the Tenant of a response denying an extension of term. Each renewal term shall be for one (1) year at a time. If the Fairfax County Executive accepts a request for renewal, the Lease shall renew for a one-year period and all covenants, conditions and terms will remain the same, and the Rental for each renewal term shall be in the amounts and payable as set forth in Paragraph 6 below and Exhibit 1.

### **3.0 RENT**

A. For purposes of the Lease term provided by this Sixth Addendum, the provisions of Paragraph 3.0 of the Fifth Addendum to Lease Agreement are deleted and are replaced by the following new Paragraph 3.0.

B. The Rental for the period from July 1, 2011, and the remaining options is set forth in Exhibit 1 to the Sixth Addendum to Lease Agreement. The Tenant agrees to pay the Board rental payments and such other charges for the premises in the same format set forth in Exhibit 1 of the Sixth Addendum to Lease Agreement, on an annual or semi-annual basis beginning July 1, 2011, as provided in Exhibit 1.

### **4.0 EFFECT ON TERMS FOR ORIGINAL LEASE AND THE FIRST, SECOND, THIRD, FOURTH, AND FIFTH ADDENDUMS TO LEASE**

A. The purpose of this Sixth Addendum to Lease Agreement is to establish the parties' extension of the existing Lease and the First, Second, Third, Fourth and Fifth Addendums to Lease and the payment terms for rent and renovation during this extension. Except to the extent specifically modified or deleted by the provisions of this Sixth Addendum to Lease, during the Lease term the provisions of the original Lease and the First, Second, Third, Fourth, and Fifth Addendums to Lease shall remain in effect and shall govern the conduct and relationship of the parties.

B. In the event of an inconsistency between the original Lease and the First, Second, Third, Fourth, and Fifth Addendums to Lease, and this Sixth Addendum to Lease, the terms of this Sixth Addendum to Lease shall be deemed to reflect the intent of the parties.

#### 5.0 RENEWAL PERIODS

A. As stated in Paragraph 2 in this Sixth Addendum to Lease, the Tenant may request an extension of this Lease for a Renewal Term of two additional one-year periods. If Tenant desires to request a renewal period, Tenant shall give the Board written notice of intent to renew no later than eight months prior to the expiration of the then current Lease Term. Upon acceptance of Tenant's request for renewal, as provided in Paragraph 2 above, such Renewal Term shall commence immediately upon the expiration of the Lease Term. The rental payments for the first Renewal Term shall be the sum of the rental payment for the last year of the Lease term, from July 1, 2010, to June 30, 2011, plus a five percent (5%) Annual Increase, in accordance with Exhibit 1 hereto. The rent payment for the second Renewal Term shall be increased by five percent

(5%) of the annual rent paid in the first Renewal Term, in accordance with Exhibit 1 hereto.

B. The Board reserves the right to deny a request by Tenant to extend the Lease for a Renewal Term. In the event the County Executive does not, prior to expiration of the then current Lease Term, give written notice of acceptance of renewal of the lease to Tenant, the Lease shall expire at the end of the then current term.

#### 6.0 HOLDING OVER

A. The Lease shall expire on June 30, 2011, pursuant to the terms of this Sixth Addendum to Lease Agreement without the necessity of notice from either the Board or the Tenant, unless renewed by agreement of the parties as provided in Paragraphs 2 and 5 above. If Tenant shall not immediately surrender the premises on the date of expiration of the Lease or the expiration of any Renewal Term, any such holding over by Tenant without the Board's written consent as provided in Paragraph 7 (B) shall constitute an unlawful detainer and Tenant shall be subject to immediate eviction. During such hold over, all of the conditions and covenants of this Lease shall apply, except the Tenant shall pay to the Board Rental equal to one hundred twenty percent (120%) of the Rent in effect during the rental period for the term provided in the Sixth Addendum to Lease Agreement as set forth in Exhibit 1 (adjusted to a monthly basis) in addition to all other rent and other charges due under this Lease. In addition, if Tenant fails to surrender and vacate the premises on the date of expiration of the Lease, Tenant shall indemnify and hold Board harmless from and against any and all loss, liability, damages and expenses (including without limitation, attorney's fees) sustained or incurred by Board on account of or resulting from such failure. The Board may

simultaneously collect all rental and other charges due under this Lease and pursue any and all remedies against Tenant to regain possession and Tenant's payment shall not be deemed to permit Tenant to retain possession of the premises after the expiration or other termination of Lease.

B. If Tenant, with the written consent of Board, shall not immediately surrender the premises on the date of expiration of the Lease or expiration of any Renewal Term, Tenant shall, by virtue of the provisions hereof become a Tenant on a month to month basis, subject to all of the conditions and covenants of this Lease as though the same had originally been a monthly tenancy. Tenant covenants to pay to Board during such month to month tenancy Rental equal to one hundred twenty percent (120%) of the Rental in effect during the rental period for the term provided in this Sixth Addendum to Lease Agreement and as set forth in Exhibit 1 (adjusted to a monthly basis) in addition to all other rent and other charges due under this Lease. Tenant shall give to Board at least thirty (30) days prior written notice of any intention to quit the premises, and Tenant shall be entitled to thirty (30) days prior written notice from the Board to quit the premises.



IN WITNESS WHEREOF, the parties hereto have affixed their signature as of the date first above written.

FOR TENANT: In the name of Allah, the Merciful and Compassionate  
WITNESS: The Royal Embassy of the Kingdom of Saudi Arabia, d/b/a  
The Islamic Saudi Academy

14/09/2010 Q R T H S

FOR BOARD:  
WITNESS: Board of Supervisors of Fairfax County, Virginia

Edward L. Long, Jr.

Edward L. Long, Jr.

Deputy County Executive

# **EMPLOYER EXHIBIT 47**

# CLEANNET CLEANING SERVICE AGREEMENT

This is a cleaning agreement by and between CleanNet of Baltimore/Washington, Inc. (CleanNet) and: The Islamic Saudi Academy located at: 8333 Richmond Hwy, Alexandria, VA 22309. CleanNet will provide janitorial services to your company per the attached proposal and per the following terms:

I. **SERVICE CHARGE:** CleanNet's monthly service charge will be \$16,662 for cleaning services per the attached specifications, plus applicable taxes.

X Option 1 Paper products: CleanNet can also provide and include for the facility hand towels, trash liners, toilet paper and hand soap on monthly basis for additional cost of \$00.00 Per month.

**\*\*Paper product invoices may be assessed after 90 days and the price may be adjusted accordingly, as agreed upon by both parties.\*\***

☐ Option 2 Paper products: CleanNet can provide the hand towels, trash liners, toilet paper and hand soap to the facility and bill the facility per their use.

☐ Option 3 Paper products: Customer provides its own hand towels, trash liners, toilet paper and hand soap.

II. **FREQUENCY OF SERVICE:** CleanNet's services are to be performed on a \_\_\_\_\_ time(s) per week basis, excluding six holidays recognized by CleanNet: New Year's Day, Memorial Day, and Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Service days are: MON TUE WED TH FR SAT SUN (Circle as Applicable)

Covered areas: Main Campus & Pope's Head Campus

VACANCIES: vacant space will be credited at the rate of \$ \_\_\_\_\_ per month. It is the responsibility of the customer to report all vacancies to CleanNet on the first of the month for that month. Any vacancies reported to CleanNet after the month has ended, and the work has been performed, will not be credited to the Customer.

III. **SUPPLIES & EQUIPMENT:** CleanNet will provide all equipment and OSHA approved cleaning chemicals to clean the premises per attached work schedule.

IV. **SPECIAL SERVICES:** In addition to regular janitorial services, CleanNet upon notification by your company agrees to provide the following additional services to your premises at an additional cost of:

Stripping and Waxing of floors: \$ \_\_\_\_\_ per strip and wax as needed (not included in monthly service charge).

Carpet Cleaning is \$ \_\_\_\_\_ per Shampoo/ or Bonnet method as needed (not included in monthly service charge).

Minimum charge for any of the above services will be two hundred dollars (\$200).

V. **DURATION OF CONTRACT:** This contract and all service charges stated in this contract are valid for one year and will be automatically extended and renewed every year thereafter on Anniversary date based on same terms and conditions, unless one of the parties gives written notice of termination at least thirty (30) days prior to such anniversary date. If termination notice is given timely, this agreement will expire at midnight of anniversary date. Otherwise, this agreement may only be terminated for non-performance as set out in section VI below. Should changes occur in the work schedule, frequency of service and occupied square footage of premises, then the monthly service charge will be adjusted accordingly. However, any adjustment to this contract would have to be mutually agreed to by your company and CleanNet in writing and signed by both parties. CleanNet will bill its service charge on a monthly basis. Customer agrees to pay CleanNet the total amount due under the terms of this contract at the end of the month (due date) for that month. Customer also agrees to pay any sales or use tax levied by taxing authority on the value of services provided or supplies purchased. Payments not received within thirty (30) days past the due date are considered late. Interest on late payments will accrue at a rate of 1.5% monthly. In the event of default on payments, Customer agrees to pay CleanNet's attorney fees and collection costs. Jurisdiction and venue for any suit brought up as a result of this contract shall be in governmental division of the county where CleanNet office is located.

VI. **TERMINATION/CONTRACT:** CleanNet will perform all janitorial services specified in the attached work schedule in a satisfactory manner. In the event of non-performance by CleanNet, your company shall first give verbal notification, followed by written notification specifying in detail the nature of any defect or failure in performance by CleanNet. If CleanNet does not cure such default within thirty (30) days of receipt of such notice and such default is not cured to reasonable satisfaction of the customer at the end of the thirty (30) days (default period), then the customer shall have the right to terminate this agreement by giving CleanNet thirty (30) days written notice from the end of the default period. CleanNet reserves the right to terminate this agreement upon thirty (60) days prior written notice or immediately for non payment by the customer. The date of any written notice required under this agreement shall be at the time when the same is deposited, post marked with United States postal service or a recognized, common postal courier and sent to CleanNet.

VII. **PERSONNEL:** Client agrees that during the terms of this agreement and for one (1) year thereafter, customer will not employ, or permit to be employed, any person who has performed services under this agreement at client's location.

**WE AGREE TO THE TERMS OF THIS AGREEMENT.**

Company: The Islamic Saudi Academy

CleanNet of Baltimore/Washington, Inc.

Signed by: D. B. Smith

Signed by: M. Butler

Date Signed: 5-9-2012

Date Signed: 5/9/12

Start Date: May 9<sup>th</sup> 2012

**EMPLOYER'S  
EXHIBIT**

47

**EMPLOYER  
EXHIBIT 48**

**EMPLOYER'S  
EXHIBIT**

**48**

***First Alarm Security Co.***

**9115 Ox Road  
Lorton, Va. 22079  
(703) 332-9472**

The following is a Security contract between The Islamic Saudi Academy (Customer) and Angela D. Jrab, with First Alarm Security Company (Agency) of Alexandria, Va.

The Agency is in the business of furnishing Security Officer Services and the Customer desires to have the Agency furnish these Security Officer Services to the Customer at the times and places defined and listed in Schedule 1, therefore, it is agreed by and between the parties as follows:

1. The Agency agrees to furnish Security Officer Services needed by the Customer at the site location listed in Schedule 1 of this contract.
2. The Agency agrees to furnish the number of Officers needed as requested in Schedule 1 of the contract at the rate per hour as described in Schedule 1 and Attachment A.
  - (a) The customer may add additional man hours and additional site locations at anytime during the contractual period at the same rate described in Schedule 1 and Attachment A.
  - (b) The total number of Security Officer man hours for both sites shall be 466 per week, these hours are subject to change due to school closings, holidays, and summer schedule (Alexandria-dayshift: 2, all other times: 1)
3. The Agency shall expect payment for these services bi-weekly starting Friday, October 22, 2010 as the first payment due. Invoices will start on Monday at 2400 hours and end Sunday at 2400 hours bi-weekly. Customer agrees to pay for such Services as described in Schedule 1. Upon non-payment of services the Agency has the right to suspend all services without notice to the customer. It is further agreed that if payment is not made as described, the agency may add a five (5) percent charge to the sum of the amount unpaid.
4. It is expressly agreed and understood by and between the parties hereto that this agreement shall be governed by the laws of the State of Virginia and the guidelines of the Department of Criminal Justice Services. The Agency agrees that the Security Officer Services shall be performed by employees in conformity and practices current to the industry. The Agency agrees that all Security Officers conduct themselves in a professional manner and that any personal information learned by these officers remain confidential.
5. All Security Officers furnished herein shall be the employees of the agency, and not an employee of the Customer. The Agency shall pay all salaries and expenses of said Officers and withhold Federal, State and Social Security taxes and any similar taxes related to such personnel of the Agency. The Customer has the right to reject any Security Officer assigned by the Agency for any reason, and the Agency shall, as soon as possible, provide a satisfactory replacement.

9115 Ox Rd . Lorton Virginia 22079 . (703) 332-9472 . (703) 690-1351

*RS*  
*oos*

6. The Agency shall furnish all Security Officers assigned hereunder to the Customer's site with all appropriate equipment, radios, and uniforms.
7. It is expressly agreed that this contract is entered into solely for the mutual benefit of the parties and that no benefits, rights, duties, or obligations are intended or created by this contract as to third parties not a signatory hereto.
8. First Alarm, Inc. hereby warrants that at the time this contract is entered into, it carries liability insurance including errors and omissions in the amount of \$300,000.00 satisfactory to the State of Virginia. First Alarm will carry the Islamic Saudi Academy as a certificate holder on their liability insurance as required by the State of Virginia. The Agency is not an insurer, that insurance, if any, shall be obtained by the customer, and that the Agency shall provide Security Officer duties to include deterrence of certain loss and that all amounts being charged hereunder by the Agency are not sufficient to guarantee that no loss will occur, the Agency makes no guarantee or warranty that the services provided will prevent, detect, or avert occurrences of losses there from which the service is designed to prevent, detect, or avert.
9. The entire agreement of the parties is pressed herein, and no verbal understandings, agreements, purchase orders, work orders, or other documents shall alter, change, or modify the terms and provisions of the agreement unless in writing and signed by both parties hereto.
10. This contract may be terminated by either party with a 30 day advance written notice. This contract may be renewed by acceptance of both parties.

These parties hereto have executed this agreement on this 13 day of Oct, 2010.

**The Islamic Saudi Academy**

8333 Richmond Hwy  
Alexandria, Va. 22309

Title: Acting Director General  
Print Full Name: Dr. Ronald W. Schultz  
Signed: Dr. R. W. Schultz

**First Alarm Security Company**

9115 Ox Rd.  
Lorton, Va. 22079

Title: President  
Print Full Name: Angela Trab  
Signed: Angela Trab

9115 Ox Rd . Lorton Virginia 22079 . (703) 332-9472 . (703) 690-1351

# First Alarm Security Co.

9115 Ox Rd

Lorton, Va. 22079

(703) 332-9472

## Schedule 1

Security Services provided for

**Islamic Saudi Academy**

at

Alexandria Campus  
8333 Richmond Hwy  
Alexandria, Va. 22309

Post	S/O	Hours	Days	Billing Rate:
Supervisor	1	8:00 a.m. - 4:00 p.m.	Mon-Fri	\$19.57/hour
Unarmed	2	6:00 a.m. - 4:00 p.m.	Mon-Fri	\$16.48/hour
Unarmed	1	7:30 a.m. - 4:30 p.m.	Mon-Fri	\$16.48/hour
Unarmed	1	4:00 p.m. - 12:00 a.m.	Mon-Fri	\$16.48/hour
Unarmed	1	12:00 a.m. - 8:00 a.m.	Mon-Fri	\$16.48/hour
Unarmed	1	8:00 a.m. - 8:00 a.m.	Sat-Sun	\$16.48/hour

at

West Campus  
11121 Popes Head Road  
Fairfax, Va. 22030

Post	S/O	Hours	Days	Billing Rate:
Unarmed	1	12:00 a.m. - 12:00 a.m.	Mon-Sun	\$16.48/hour

Total weekly hours:

466

Start Date

Oct 11, 2010

End Date

Oct 10, 2012

Client directed overtime and holiday rate is \$24.72/hour (unarmed) and 29.35/hour (supervisor).

PS  
Oct

9115 Ox Rd . Lorton Virginia 22079 . (703) 332-9472 . (703) 690-1351

# ***First Alarm Security Co.***

9115 Ox Rd  
Lorton, Va. 22079  
(703) 332-9472

## **Attachment A**

### **Holidays Observed:**

New Year's Day  
Martin Luther King Jr. Day  
Presidents Day  
Memorial Day  
Independence Day  
Labor Day  
Columbus Day  
Thanksgiving Day  
Christmas Day

RS  
AD

9115 Ox Rd . Lorton Virginia 22079 . (703) 332-9472 . (703) 690-1351



# *First Alarm Security Co.*

9115 Ox Rd  
Lorton, Va. 22079  
703-332-9472

February 24, 2011

Islamic Saudi Academy  
8333 Richmond Hwy  
Alexandria, Va. 22309

Re: Extra Security

This letter is to confirm your request for additional security during the hours of 5:00 - 11:00 on every Friday and Saturday evening to monitor the gym activities while the Teen Center is using the facilities.

These hours total 12 additional hours per week at the rate listed in our contract for unarmed personnel.

First Alarm Security

Angela Smith

Islamic Saudi Academy

D. B. Smith

T. Smith

9115 Ox Rd . Lorton, Va. 22079 . (703) 332-9472 . (703) 690-1351

# *First Alarm Security Co.*

7787 Boudab St.  
Alexandria, Va. 22315  
(703) 690-1351

April 11, 2011

Islamic Saudi Academy  
8333 Richmond Hwy  
Alexandria, Va. 22309

Re: Extra Security

This letter is to confirm your request for additional security on Monday-Friday, during the hours of 3:00 pm to 4:00 pm, on days that the students attend only. This security is for the Alexandria Campus during the release of the students. This totals 5 hours per week (10 hours per pay periods).

First Alarm Security Angela Grubbs

Islamic Saudi Academy W. B. 71 SA



9115 Ox Rd . Lorton, Va. 22079 . (703) 332-9472 . (703) 690-1351

# **EMPLOYER EXHIBIT 49**

**LE REAL ESTATE, INC**  
**7208 TITONKA WAY, DERWOOD, MARYLAND 20855**

**PHONE: (301)792-1095 FAX: (301)933-8622**

**AGREEMENT OF LEASE**

THIS AGREEMENT OF LEASE (this "Lease") made this 1<sup>st</sup> day of September, 2008, by and between ANH NGOC HOANG LE, Lessor, and ISLAMIC SAUDI ACADEMY, Lessee.

**WITNESSETH:**

WHEREAS, the property is improved by, among other things, a parking area providing spaces for parking of approximately One Hundred Thirteen (113) non commercial passenger vehicles at 8339 Richmond Hight Way Alexandria, VA; and

WHEREAS, Lessee operates a school adjacent to the Property; and

WHEREAS, it is the desire of Lessee to lease the right to use One Hundred Thirteen (113) parking spaces (the "Parking Space") designated on Exhibit "A" attached hereto (being a hand-drawn plat on the Property by make placed within each of the Parking Spaces, for the parking of no-commercial passenger vehicle during hours and days of the operation of the school, and

WHEREAS, Lessor has agreed to lease the Parking spaces to Lessee for such use study in accord with the term and condition of this Lease.

NOW, THEREFORE, in consideration of the manual covenants and promises herein contained, the sum of Ten Dollars (\$10.00) cash in hand paid, the rent reserved unto Lessor herein, and the rights granted Lessee, the parties do agree as follows

1. From and after September 1, 2008, to and including June 30, 2009(the "Term"), Lessee shall have the exclusive right to use and occupy the Parking Spaces for the purpose of parking up to One Hundred Thirteen (113) non-commercial passenger vehicle during hours and days of school operation, strictly in accord with the terms and conditions of this Lease.
2. (a) Lessor covenants and agrees that it has not leased the Parking Spaces to any other person or entity, Lessor shall defend the rights of Lessee to use and occupy the Parking Spaces, strictly in accord with the terms and conditions of this Lease, against the claims of any person or entity claiming by or through Lessor.  
  
(b) Nothing herein contained, however, shall prevent, inhibit or otherwise interfere with Lessor's rights in the Property, including, without limitation, the right to use, lease, demolish, construct, maintain and/ or convey any or all of

**EMPLOYER'S  
EXHIBIT**

**49**

**LE REAL ESTATE, INC**  
**7208 TITONKA WAY, DERWOOD, MARYLAND 20855**

**PHONE: (301)792-1095 FAX: (301)933-8622**

the Property provided Lessee's right under this Lease shall not be unreasonably abridged.

(c) Lessor shall have the right to sell lease, assign or convey its interest in this Lease and /or the Property, subject, however, to Lessee's right under this Lease and, provided, Lessee shall not be in default of this Lease, Lessee's rights shall continue undisturbed upon Lessee recognizing and atoning to Lessor's purchaser, Lessee assignee or grantee. Lessee shall, upon reasonable request, execute an estoppels and adornment certificate.

3. Lessee shall pay to Lessor rent in the amount of THIRTY FIVE THOUSAND DOLLARS and 00/100 DOLLARS (\$35,000.00) for the use of the Parking Spaces during the Term above defined. Lessor grants to Lessee the privilege to pay the rent in ten (10) equal monthly installment, commencing on September 1, 2008, and continuing on the first day of each month thereafter to and including June 30, 2009, so long as Lessee shall not default ("Default") under the terms and conditions of this Lease. Ten equal installment of THREE THOUSAND FIVE HUNDRED DOLLARS and 00/100, (\$3,500.00) monthly commencing on September 1, 2008, until June 1, 2009. The monthly payment need to be sent to ANH NGOC HOANG LE at 7208 Titonka Way, Derwood MD 20855. There will be charged 10% more on the lease payment if the payment is made after the first day of the month and add up 10% more for every day after the first day. The amount of said security deposit was \$5,600.00 to be given at the last two years contract was signed still remained and will be refund within 45 days after the lessor received the terminated letter from the lessee by certify mail.
4. The occurrence of any of the following circumstances shall continue a Default
  - (a) If on any occasion, lessee shall deliver the rent to Lessor more than five (5) days after the same shall be due;
  - (b) If Lessee shall break any other agreement made in this Lease; or
  - (c) If any covenant or warranty herein made by Lessee shall at any time during the Term prove to be untrue, incomplete or inaccurate.
5. Upon and Default of this Lease, in addition to each and all other remedies afford to Lessor, the entire rent, shall at one become due and payable.
6. Lessee covenants and warrants onto Lessor that at the date of execution and delivery of this Lease and at all times thereafter through the conclusion of the Term of this Lease, the following statements shall be true, complete and accurate:

**LE REAL ESTATE, INC**  
**7208 TITONKA WAY, DERWOOD, MARYLAND 20855**

**PHONE: (301)792-1095 FAX: (301)933-8622**

Property of sale, or for any other purpose, except only daily parking of passenger automobiles.

(1) Lessee shall post no sign on or about the Parking Spaces, shall take care not to damage the Property; and shall not interfere with or inhibit any business operated on the property.

7. Upon any Default under this Lessee, Lessor shall have all rights and remedies available to Lessor under the laws of the Commonwealth of Virginia. By way of specification and amplification, but not limitation, Lessor shall, upon Default, without further notice, have the following rights and remedies (which may be exercised in any order selective or simultaneous at the Lessor's sole option):

- (a) The right to immediately and permanently exclude Lessee from any use or occupancy of the Parking Spaces;
- (b) The right to immediate payment of all remaining rent for the balance of the Term of the Lease;
- (c) The right to recover money damages for each and every loss, damage, cost or expense directly or indirectly flowing from Lessee's breach of this Lease; and
- (d) The right to recover Lessor's attorney's fees accrued for enforcing the terms and conditions of this Lease.

8. This Lease is the writer, reflection of all of the agreements of the parties respecting the use and occupancy of the Parking Spaces by Lessee. Any and all prior agreements, understandings, negotiations and/or conversations are merged herein and this Lease may not be modified by any agreement, except one executed in writing by both Lessor and Lessee.

9. AFTER FULL OPPORTUNITY TO REVIEW THIS LEASE AND CONSULT WITH COUNSEL, LESSOR AND LESSEE, INTENDING THAT EACH SHALL RELY HEREON AS PARTIAL CONSIDERATION FOR EXECUTION AND DELIVERY OF THIS LEASE, MUTUALLY WAIVER TRIAL BY JURY WITH REGARD TO ANY DISPUTE OR LITIGATION ARISING FROM OR RELATED TO THIS LEASE. Further, each stipulates and agrees that any litigation arising from or related to this Lease shall be property brought only in the Circuit Court for the City of Alexandria, Virginia (The place where this Lease is to be finally executed) and/or the United States District Court for the Eastern District of Virginia.

- (a) Lessee has and will use the Parking Spaces strictly in accord with all applicable laws, ordinances and/or statutes, specifically including, but not limited to, the statutes of the Commonwealth of Virginia and the

**LE REAL ESTATE, INC**  
**7208 TITONKA WAY, DERWOOD, MARYLAND 20855**

**PHONE: (301)792-1095 FAX: (301)933-8622**

ordinances constrained in the Fairfax County Code applicable to operation and parking to motor vehicles.

- (b) Lessee shall obtain and keep in place and affect at times (exhibiting of Lessor at the date of execution and at any other time upon request a certificate therefore) a policy of insurance insuring Lessee and Lessor, as their interests may appear, against loss or damage to others on account of Lessee's use and occupancy of the Parking Spaces. Such policy of insurance shall be issued by a company and in an amount reasonable acceptable to Lessor.
- (c) Lessee will indemnify and save Lessor harmless against any loss, damage, cost or expense arising from or resulting on account of Lessee's use of the Parking Spaces.
- (d) Lessee has fully inspected the Parking Spaces and determined they are suitable to Lessee's use and occupancy. Lessee waives, relinquishes, remises and sets over onto Lessor any claim, abuse of action, grievance or complaint Lessee now has or may hereafter acquire arising from or consulting from Lessee's use of the Parking Spaces.
- (e) Lessee will assure that all persons using the Parking Spaces shall be made aware of the relevant restrictions and covenants of this Lease regarding use of the Parking Spaces and respect for the property. Lessee will issue each authorized Parking Spaces user an identifying cardboard placard to be placed on the dashboard of authorized vehicles when using the Parking Spaces
- (f) Lessee shall not assign, sublet or otherwise permit any persons or entities to use the Parking Spaces, except only students, faculty, administrative staff and their families currently (as of the date of use) associated with Lessee.
- (g) No vehicles shall be stored or parked for periods in excess of twenty-four (24) hours in any of the Parking Spaces. Only vehicles in good operating condition shall be parked in the Parking Spaces. Vehicles parked in excess of (24) hours will be towed at owner's expense. Any vehicle not displaying a parking permit will also be towed at the owner's expense.
- (h) The Parking Spaces shall not be used as a place of assembly, car repair, a place for sale or demonstration or display of cars or other

10. Lessor and Lessee agree to execute such further assurances or modifications hereof as may be necessary to effect the purposes of this Lease.

LE REAL ESTATE, INC  
7208 TITONKA WAY, DERWOOD, MARYLAND 20855  
PHONE: (301)792-1095 FAX: (301)933-8622

IN WITNESS WHEREOF, we hereunder set hands and seals

LESSOR

ANH NGOC HOANG LE

Anh Ngoc Hoang Le (SEAL)

NAME Samy Musa

TITLE Acting Business Manager

LESSEE

ISLAMIC SAUDI ACADEMY

Musa Acting Business Manager  
(SEAL)

NAME  
TITLE



*[Handwritten signature]*



# **EMPLOYER EXHIBIT 51**

INTERNET FORM NLRB-5081 (2-08)		NATIONAL LABOR RELATIONS BOARD <b>QUESTIONNAIRE ON COMMERCE INFORMATION</b>		FORM EXEMPT UNDER 44 U.S.C. 3512					
Please read carefully. Answer all applicable items and return to the Regional Office. If additional space is required, use plain bond paper and identify item number.									
CASE NAME <div style="font-size: 1.2em; font-family: cursive;">Islamic Saudi Academy</div>				CASE NUMBER <div style="font-size: 1.2em; font-family: cursive;">05-RC-080474</div>					
1. TYPE OF BUSINESS <input type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> SOLE PROPRIETORSHIP      * See addendum									
2. CLASSIFICATION WHICH DESCRIBES YOUR BUSINESS <table style="width: 100%; border: none;"> <tr> <td style="border: none; vertical-align: top;"> <input type="checkbox"/> WHOLESALE  <input type="checkbox"/> HOSPITAL  <input type="checkbox"/> TRUCKING  <input type="checkbox"/> TRANSIT SYSTEM         </td> <td style="border: none; vertical-align: top;"> <input type="checkbox"/> NEWSPAPER  <input type="checkbox"/> HOTEL - MOTEL  <input type="checkbox"/> PUBLIC UTILITY  <input type="checkbox"/> BUILDING AND CONSTRUCTION         </td> <td style="border: none; vertical-align: top;"> <input checked="" type="checkbox"/> OFFICE OF INDUSTRIAL BUILDING  <input type="checkbox"/> MANUFACTURING/PROCESSING  <input type="checkbox"/> BROADCASTING STATION  <input checked="" type="checkbox"/> OTHER (Describe)         </td> <td style="border: none; vertical-align: top;"> <input type="checkbox"/> RETAIL  <input type="checkbox"/> SERVICE ORGANIZATION  <input type="checkbox"/> NURSING HOME         </td> </tr> </table> <div style="text-align: center; font-size: 1.2em; font-family: cursive;">K-12 Education</div>						<input type="checkbox"/> WHOLESALE <input type="checkbox"/> HOSPITAL <input type="checkbox"/> TRUCKING <input type="checkbox"/> TRANSIT SYSTEM	<input type="checkbox"/> NEWSPAPER <input type="checkbox"/> HOTEL - MOTEL <input type="checkbox"/> PUBLIC UTILITY <input type="checkbox"/> BUILDING AND CONSTRUCTION	<input checked="" type="checkbox"/> OFFICE OF INDUSTRIAL BUILDING <input type="checkbox"/> MANUFACTURING/PROCESSING <input type="checkbox"/> BROADCASTING STATION <input checked="" type="checkbox"/> OTHER (Describe)	<input type="checkbox"/> RETAIL <input type="checkbox"/> SERVICE ORGANIZATION <input type="checkbox"/> NURSING HOME
<input type="checkbox"/> WHOLESALE <input type="checkbox"/> HOSPITAL <input type="checkbox"/> TRUCKING <input type="checkbox"/> TRANSIT SYSTEM	<input type="checkbox"/> NEWSPAPER <input type="checkbox"/> HOTEL - MOTEL <input type="checkbox"/> PUBLIC UTILITY <input type="checkbox"/> BUILDING AND CONSTRUCTION	<input checked="" type="checkbox"/> OFFICE OF INDUSTRIAL BUILDING <input type="checkbox"/> MANUFACTURING/PROCESSING <input type="checkbox"/> BROADCASTING STATION <input checked="" type="checkbox"/> OTHER (Describe)	<input type="checkbox"/> RETAIL <input type="checkbox"/> SERVICE ORGANIZATION <input type="checkbox"/> NURSING HOME						
3. EXACT LEGAL TITLE OF FIRM <div style="font-size: 1.2em; font-family: cursive;">Islamic Saudi Academy</div>									
4. IF A CORPORATION <table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 25%;">A. INCORPORATED IN STATE OF:</td> <td style="border: none;">B. NAME(s) AND ADDRESS(es) OF PARENT, SUBSIDIARY, OR RELATED CORPORATION, IF ANY, AND DESCRIBE RELATIONSHIP.</td> </tr> </table>						A. INCORPORATED IN STATE OF:	B. NAME(s) AND ADDRESS(es) OF PARENT, SUBSIDIARY, OR RELATED CORPORATION, IF ANY, AND DESCRIBE RELATIONSHIP.		
A. INCORPORATED IN STATE OF:	B. NAME(s) AND ADDRESS(es) OF PARENT, SUBSIDIARY, OR RELATED CORPORATION, IF ANY, AND DESCRIBE RELATIONSHIP.								
5. IF A PARTNERSHIP FULL NAME AND COMPLETE ADDRESS OF ALL PARTNERS.									
6. IF A PROPRIETORSHIP FULL NAME AND COMPLETE ADDRESS OF PROPRIETOR.									
7. BRIEFLY DESCRIBE THE NATURE OF YOUR BUSINESS (General products handled or manufactured, or nature of services performed). <div style="font-size: 1.2em; font-family: cursive;">K-12 Islamic School</div>									
8. PRINCIPAL PLACE OF BUSINESS LOCATED AT: <div style="font-size: 1.2em; font-family: cursive;">8333 Richmond Highway, Alexandria, VA 22309</div>			BRANCH(es) LOCATED AT: <div style="font-size: 1.2em; font-family: cursive;">11121 Pope's Head Rd Fairfax, VA 22030</div>						
9. NUMBER OF PERSONNEL PRESENTLY EMPLOYED BY YOUR FIRM <table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 50%;">A. TOTAL <div style="font-size: 1.2em; font-family: cursive;">160</div></td> <td style="border: none; width: 50%;">B. AT THE ADDRESS INVOLVED IN THIS PROCEEDING.</td> </tr> </table>						A. TOTAL <div style="font-size: 1.2em; font-family: cursive;">160</div>	B. AT THE ADDRESS INVOLVED IN THIS PROCEEDING.		
A. TOTAL <div style="font-size: 1.2em; font-family: cursive;">160</div>	B. AT THE ADDRESS INVOLVED IN THIS PROCEEDING.								
10. DURING THE PAST <input checked="" type="checkbox"/> CALENDAR, <input type="checkbox"/> FISCAL YEAR (If Fiscal Year Indicate dates) OR <input type="checkbox"/> LAST 12 MONTHS (Check appropriate box):									
A. DID GROSS REVENUE FROM SALES OR PERFORMANCE OF SERVICES DIRECTLY TO CUSTOMERS OUTSIDE THE STATE EXCEED \$50,000 <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF LESS THAN \$50,000 INDICATE AMOUNT				\$					
B. DID GROSS AMOUNT OF PURCHASES OF MATERIALS OR SERVICES DIRECTLY FROM OUTSIDE THE STATE EXCEED \$50,000 <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF LESS THAN \$50,000 INDICATE AMOUNT				\$					
C. DID GROSS REVENUE FROM YOUR SALES OR PERFORMANCE OF SERVICES EQUAL OR EXCEED \$50,000 TO FIRMS WHICH DIRECTLY MADE SALES TO CUSTOMERS OUTSIDE THE STATE AND/OR TO CUSTOMERS WHICH MADE PURCHASES FROM DIRECTLY OUTSIDE THE STATE <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF LESS THAN \$50,000 INDICATE AMOUNT				\$ <div style="font-size: 1.2em; font-family: cursive;">0</div>					
D. IF THE ANSWER TO 10(c) IS NO, DID GROSS REVENUE FROM SALES OR PERFORMANCE OF SERVICES EQUAL OR EXCEED \$50,000 TO PUBLIC UTILITIES, TRANSIT SYSTEMS, NEWSPAPERS, HEALTH CARE INSTITUTIONS, BROADCASTING STATIONS, COMMERCIAL BUILDINGS, EDUCATIONAL INSTITUTIONS AND/OR RETAIL CONCERNS <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF LESS THAN \$50,000 INDICATE AMOUNT				\$					
E. DID GROSS AMOUNT OF YOUR PURCHASES EQUAL OR EXCEED \$50,000 FROM FIRMS WHICH IN TURN, PURCHASED THOSE GOODS DIRECTLY FROM OUTSIDE THE STATE <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF LESS THAN \$50,000 INDICATE AMOUNT				\$					
F. GROSS REVENUE FROM ALL SALES OR PERFORMANCE OF SERVICES (Check largest amount which firm equaled or exceeded): <input type="checkbox"/> \$100,000 <input type="checkbox"/> \$200,000 <input type="checkbox"/> \$250,000 <input type="checkbox"/> \$500,000 <input checked="" type="checkbox"/> \$1,000,000 IF LESS THAN \$100,000 INDICATE AMOUNT				\$					
11. ARE YOU A MEMBER OF, OR PARTICIPATE IN, AN ASSOCIATION OR OTHER EMPLOYER GROUP THAT ENGAGES IN COLLECTIVE BARGAINING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If yes, give Name and Address of association or group).									
12. DID FIRM PERFORM NATIONAL DEFENSE WORK DURING THE PERIOD INDICATED IN 10 ABOVE? (If Yes, amount of dollar volume and name(s) and address(es) for whom work was performed). <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO    \$									
13. PROVIDE NAME & TITLE OF YOUR REPRESENTATIVE BEST QUALIFIED TO GIVE FURTHER INFORMATION CONCERNING THE OPERATIONS OF YOUR BUSINESS									
NAME <div style="font-size: 1.2em; font-family: cursive;">Dr. Sammy Musa</div>		TITLE <div style="font-size: 1.2em; font-family: cursive;">Head of Finance</div>		TELEPHONE NUMBER <div style="font-size: 1.2em; font-family: cursive;">703-780-0606 ext 305</div>					
SIGNATURE OR AUTHORIZED REPRESENTATIVE COMPLETING THIS QUESTIONNAIRE									
NAME AND TITLE (Type or Print) <div style="font-size: 1.2em; font-family: cursive;">Dr. Ronald Schultz - Acting Director General</div>		SIGNATURE <div style="font-size: 1.2em; font-family: cursive;">Dr. R. T. Schultz</div>		DATE <div style="font-size: 1.2em; font-family: cursive;">5-14-12</div>					

**PRIVACY ACT STATEMENT**

Solicitation of the information on this form is authorized by the National Labor Relations Act (NLRA), 29 U.S.C. § 151 et seq. The principal use of the information is to assist the National Labor Relations Board (NLRB) in processing representation and/or unfair labor practice proceedings and related proceedings or litigation. The routine uses for the information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). The NLRB will further explain these uses upon request. Disclosure of this information to the NLRB is voluntary. However, failure to supply the information may cause the NLRB to refuse to process any further a representation or unfair labor practice case, or may cause the NLRB to issue you a subpoena and seek enforcement of the subpoena in federal court.